



A seething Yitzhak Shamir is restrained after jumping from his seat at the Herut convention last night to break up a disturbance sparked by a verbal attack by Ariel Sharon. (Andre Brutmann)

Shamir, Levy, Sharon locked in furious fight for party control

Chaos engulfs Herut

By ROY ISACOWITZ
Post Political Reporter

Chaos reigned in the Herut convention in the early hours of this morning, as the fiercely opposed camps swamped the presidium with different motions to end the most bitter gathering in the party's history.

Shamir last night tried to limit the damage done to the party by calling for an adjournment of the convention, through a procedure whereby the convention would declare itself to be the party's central committee.

Shamir, saying he was "very angry," called for the adjournment because of futile attempts to reach a compromise over a measure that would have allowed Ariel Sharon to pack the convention with more of his supporters.

In an angry speech responding to Shamir in the early hours of this morning, Levy indicated that he would block attempts in the convention presidium to put to vote a motion dissolving the convention. Levy said, "I must tell you, Yitzhak Shamir, that your methods have harmed the movement and do not have my confidence."

Presidium chairman Moshe Katsav tried, at about 1.30 a.m., to slip in a sudden motion calling for an affirmation of Yitzhak Shamir's leadership of the party. A vast roar went up from the body of the convention hall as supporters of David Levy and Ariel Sharon voiced their objections.

Should Shamir manage to get presidium approval for bringing his proposal to a vote — an idea first raised by Meir Shitrit — the vote would be by secret ballot, which would take all night to count.

By SARAH HONIG
Post Political Correspondent

The Herut party was in total disarray late last night, with its top leaders hurling insults at each other as the party's convention was completely derailed.

Vice Premier Shamir called the convention a "circus," and described one of his two rivals, Housing Minister David Levy, as a "man driven by megalomania."

Levy, for his part, indicated that he may not support Shamir next October when the vice premier is due to take over as prime minister. Shamir also hinted that he may not assume the premiership if he does not win a majority.

The contenders for power in the party apparently lost all control and the enmity between Shamir and Levy burst in the open in so personal a manner that few in the party could see any chance of relations between the two ever being mended.

Shamir and Levy could never again appear as a team, it was said, especially considering the insults and

name-calling they had exchanged: megalomaniac, criminal, tyrant, "Disneyland" behaviour are just a sample.

By yesterday afternoon Shamir had had enough and decided to end the long silence for which many in his entourage had criticized him. He lashed out against Levy's "megalomania" and his rivals crowned himself party leader.

In an appearance on TV's Mabat news programme he said: "I will not be the leader without a majority; I will not be leader if my party does not choose me."

The Shamir who appeared on the screen was not the usual cool, poker-faced Shamir. He was visibly chagrined and his eyes noticeably flashed with anger.

He more than hinted at his opinion of Levy and Sharon when he stressed that the "party must be headed by honest people of a certain calibre and level." Prodded by the interviewer, he said: "I am not hinting. This is what I think."

He promised to "take the opportunity to settle the score with Levy at this convention. Everything he says

about me is an out and out lie. I never engaged publicly in polemics with him and he exploited this to attack me time and again."

Asked about his use of the term "criminals" earlier in the day to characterize the Levy camp, Shamir did not deny his words and admitted to being "angry. Very angry. This is why I say the harsh things I am saying. They are harsh, but they're true."

Shamir lamented the fact that "for three long days not a word had been

See related stories
Pages 2 and 3

said about the ideology, policy and issues. No one has touched on the possibility of early elections, on the merger with the Liberals or on the state of the economy. All that we have had were power struggles. This cannot continue. For one thing, people have to get back to their jobs."

Commenting on charges that he had been too soft in his attitude to

(Continued on back page)

Sharon's hour of triumph

TEL AVIV. — If there was even one exchange of ideas at Herut's 15th convention, never mind an ideological discussion, it was by pure accident. The only exchanges were of insults and blows.

It was Sharon's hour of triumph, and it has become his convention. For notwithstanding the hyphen linking him to David Levy in the shifting sands of Herut alliances, Sharon is the winner, the unlikely father figure delegates have selected in Menachem Begin's stead.

Levy will be lucky if the shifting sands do not become quicksands. After years of challenging David

ANALYSIS

MARK SEGAL

Ben-Gurion's delegitimization of their movement, Herut this week came near to justifying B-G's longstanding contention that "Herut is a party of brute force."

While delegates accorded President Chaim Herzog a courteous welcome, they have certainly acted contrary to his plea to cleave to Ze'ev Jabotinsky's credo of *hadar* (splen-

dour, majesty, dignity). Some may say that the *golem* moulded by Begin has risen against its creator. The forces Begin unleashed have nothing in common with the liberal humanism that inspired the young Jabotinsky; they do not understand his scepticism about organized religion; they do not share Begin's respect for due process and parliamentary procedure.

They are interested solely in naked power, and the more sophisticated among them who are near the top of their pyramid forge ahead with cynical expediency.

One wonders what the old-timers (Continued on Page 9)

Egypt hands over report on Ras Burka massacre

By BENNY MORRIS

Egypt yesterday gave Israel its long-awaited report on the Ras Burka massacre, in which seven Israelis were shot dead by an Egyptian security man last October on a Sinai beach.

The 90-page report, whose delivery to Israel was taken by many as a barometer of the state of bilateral ties, was submitted by the Egyptian Foreign Ministry officials to the Israeli Embassy in Cairo. It is now being studied, according to Foreign Ministry sources in Jerusalem, who said they expected that the embassy staff's analysis of the report would reach Jerusalem today.

Officials said they believe the report is a copy of the judgement and

sentence handed down by the Egyptian military court, which last December convicted Sergeant Suleiman Khater for the killings. Khater committed suicide in prison shortly afterwards, according to the official Egyptian version of events. One ministry source said the Egyptian report is a full transcript of the court proceedings.

Some officials hope that the material submitted by Egypt includes more than the court judgement and sentence, as Israeli anger at the incident focused not only on the actual killings but on events before and after the slaughter.

Israeli witnesses have charged, among other things, that Egyptian security men failed to give aid to the

victims and prevented Israelis from doing so either.

Justice Minister Moshe Nissim said yesterday that if the report contains only "the court's judgement and does not cover the behaviour of the other Egyptian soldiers, or the lack of medical attention to the casualties, then it is no report at all."

Nissim said it is the "duty of a friendly country, which Egypt is supposed to be, to submit a full report of such tragic events, and not merely something that deals with the crime and sentencing of the killer."

Meanwhile, the Israeli and Egyptian delegations yesterday resumed their talks in Herzliya on Tabat and the normalization of relations. Discussions focused on the formulation

of the *compromis*, the document that outlines the terms of reference of the Tabat arbitration.

The Egyptian delegates, headed by Foreign Ministry legal adviser Nabil al-Arabi, reportedly brought positive replies to a number of Israeli proposals on the implementation of the dormant trade agreement between the two countries. Some progress was also made in the effort to curb hostile propaganda.

Minister of Tourism Avraham Shafir is due to visit Egypt on Sunday, at the head of a delegation of tourism officials, to work out tourism packages for travellers from the U.S. and Western Europe. Shafir will also seek to promote increased Egyptian tourism to Israel.

Spanish vote seen backing role in Nato

MADRID. — Private radio network and public television forecasts indicated Spaniards voted yesterday to keep their country in Nato, giving Socialist Prime Minister Felipe Gonzalez a political victory over his opponents and virtually ensuring his re-election in October.

Half an hour after the polls closed the private Ser radio network forecast a 49.5 per cent vote in favour of Spain's continued membership in Nato and a 44.7 per cent vote against.

The state-run Spanish television (TVE) said that votes in favour of the referendum would exceed those against by five to six points.

Both Ser and TVE said about 60 per cent of the country's 28.8 million voters voted in the referendum that asked whether they approved of the government's decision to keep Spain in the North Atlantic Treaty Organization.

Gonzalez had asked his countrymen not to turn their backs on Europe and to vote yes. However, he promised to abide by the results of the non-binding referendum. Most opinion polls had indicated Spaniards would reject Nato membership.

(Continued on back page)



Premier Felipe Gonzalez casts his vote yesterday in Spain's referendum on its continued membership in Nato. (AFP)

Rabin, Murphy discuss West Bank quality of life

Jerusalem Post Reporter

TEL AVIV. — Israel will introduce some new measures to improve the quality of life in the administered territories. Defence Minister Yitzhak Rabin yesterday discussed possible ways to do this with U.S. Assistant Secretary of State Richard Murphy, but no specific decisions were announced.

Egyptian President Mubarak and Foreign Minister Ismat Abdel

Meguid told Murphy that the signing of the *compromis* for arbitration over Tabat would "trigger" the advancement of Israeli-Egyptian relations.

Earlier in the day, Murphy, who arrived Tuesday night from Cairo, briefed Foreign Minister Shamir on his talks with Egypt's leaders and on his impressions of the situation in Cairo.

Murphy will not visit Amman on

his current trip, but will return to Washington from Israel, according to informed sources in the Jordanian capital quoted by Radio Monte Carlo.

Foreign Ministry sources report Murphy as saying that Mubarak is in control of the situation and that things are more or less back to normal in Cairo following the crushing of the central security police rebellion a fortnight ago.

Murphy said that the Egyptians were eager to improve relations with Israel but were restricted by various limitations and pressures. They were keen on a speedy conclusion of the Tabat arbitration negotiations.

Shamir, according to the Foreign Ministry sources, said that Israel had no desire to slow down the Tabat negotiations or the improvement of bilateral relations. But Tabat, said

(Continued on Page 9)

Clients' compensation in doubt

Tel Aviv brokers 'flee the country' after quietly closing down company

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — The partners of a small Tel Aviv brokerage firm have reportedly fled the country after quietly shutting down operations, the Tel Aviv Stock Exchange said yesterday.

Yossie Nitzani, director-general of the exchange, said it was still unclear whether the brokerage firm, FIT, had fully compensated its clients, whose accounts are estimated at several million dollars.

In the meantime, he advised the public to act with "maturity, and not panic and start dumping their shares." Nitzani noted that FIT's portfolio accounted for only about one-half of 1 per cent of the exchange's total turnover of the past several months. He said the exchange's 27 other members were sound financially. The bourse will be open for trading as usual today.

Details surrounding FIT's closure are hazy. Nitzani said that all exchange officials know is that the firm's two partners, Yori Salant and

Hagai Blich, "have evidently left the country" and that FIT's offices have been locked. He said his information was based "on hard facts, reliable reports by a third party and untested rumours."

At least some of FIT's clients had received letters yesterday saying that due to "events in the capital markets and changes of policy," FIT had decided to cash in its clients' portfolios, Nitzani said.

Cheques were enclosed but at least one of FIT's clients said the letter he received had not listed all the shares that the firm had been supposed to have bought for him and that the cheque was equal to only about one-third of the value of his portfolio. The cheque was postdated, so that the client did not yet know whether the bank on which it was drawn would honour it, Nitzani said.

In addition, Nitzani said, "We do not know if all of (FIT's clients) received these letters." As rumours spread through the market about FIT, trading was suspended Tuesday on the firm's Afik Invest-

ment Company. Nitzani, meanwhile, said he had asked Phoenix Insurance to take steps to protect shareholders in the Aviv mutual fund, which was managed by FIT. Phoenix is a trustee of the fund.

Sources said Blich had sold his flat several days ago, and that he and Salant had left Israel on Tuesday. Salant was reportedly in a "highly agitated state" when he was last seen at the bourse on Monday, a source said. At about that time, reports began circulating that FIT was in financial difficulties, although it was not known whether they were due to its stock market operations or other business activities in which the partners were engaged.

Nitzani said that about a year ago the exchange had reprimanded FIT for allegedly manipulating Afik's share price, and there had been no similar problems since then. At the same time FIT was instructed to increase its paid-up capital to about the equivalent of \$200,000. Nitzani said the firm did this "without any

(Continued on Page 9)

Beit Hadassah petition against fence to be heard today

Post Middle East Staff

The number of settlers in Beit Hadassah in Hebron is to be increased from 15 to about 100 according to a deposition submitted to the High Court of Justice yesterday by the State Attorney's Office.

The deposition is a response to a petition — to be heard today — by the owners of the shops on the building's ground floor, who seek the removal of a high wire-mesh fence in front of their stores. The army put up the fence in January, as a security measure to protect the building's Jewish tenants.

The petitioners say that the fence has narrowed access to the nine stores to a narrow path. They also contend that anyone seeking to enter the shops is searched by soldiers stationed at both ends of the fence. The owners say the fence and the searches have endangered their livelihoods by frightening customers away.

In its response to the petition, the State Attorney's Office says that the shops are a "real danger" to the lives and security of the tenants on the upper three floors. The state's de-

position stated that, for example, explosives could be planted in the shops — not necessarily with the cooperation or knowledge of the proprietors — in an effort to blow up the building.

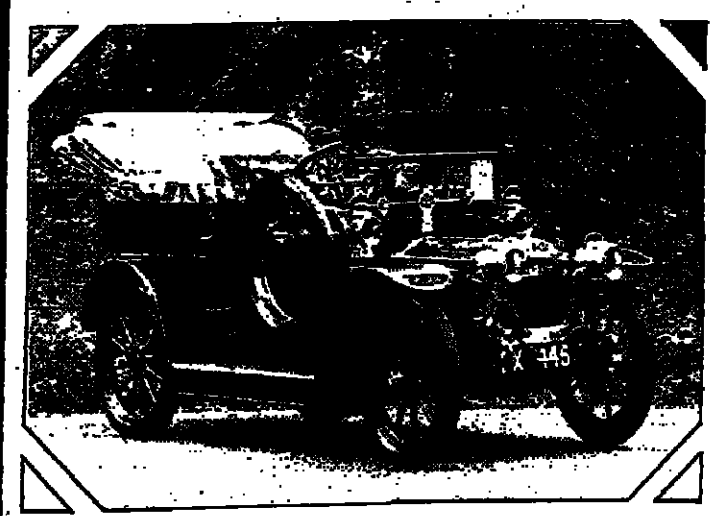
According to the deposition, the recent expansion of the building, the imminent increase in the number of tenants to about 100, and the fact that Beit Hadassah symbolizes the Jewish resettlement of Hebron, necessitate stricter security measures.

The decision to set up the fence and search all visitors was approved by the chief of general staff and the defence minister, the deposition said.

The army, it continued, had no intention of evicting the shop-owners, but it would like the shop-owners to leave and was willing to negotiate with them over compensation.

Arguing that the military commander of the West Bank was acting within his authority in ordering the adoption of the security measures, the deposition asked the court to reject the shop-owners' petition.

Selling your car?



Hurry! There are only a few hours left to place your classified advertisement for tomorrow's Halaah Hehadash. Just take your ad to any advertising agency, or to an office of Ma'ariv or Ha'aretz (or call 03-439380) and it will run in Hebrew in those papers. Hand it in early enough to make sure it reaches the office of Halaah Hehadash before 4 p.m. and your ad will also appear in English in The Jerusalem Post. Beat that deadline!

The weather at major Swissair destinations

12.3.86	MIN.	MAX.	
AMSTERDAM	-2	8	Cloudy
BRUSSELS	-1	10	Cloudy
BUEENOS AIRES	18	24	Cloudy
CHICAGO	-1	10	Cloudy
COPENHAGEN	6	12	Cloudy
FRANKFURT	3	10	Cloudy
GENEVA	-3	10	Cloudy
HONG KONG	22	29	Cloudy
LONDON	17	23	Cloudy
LUXEMBOURG	13	19	Cloudy
LYON	7	16	Cloudy
MADRID	8	17	Cloudy
MONTREAL	-11	12	Cloudy
MOSCOW	3	10	Cloudy
NEW YORK	6	12	Cloudy
OSLO	6	12	Cloudy
PARIS	6	12	Cloudy
RIO DE JANEIRO	20	26	Cloudy
SAO PAULO	18	24	Cloudy
STOCKHOLM	-1	10	Cloudy
TOKYO	4	11	Cloudy
TORONTO	-4	11	Cloudy
VIENNA	1	10	Cloudy
ZURICH	0	10	Cloudy

*For the latest weather conditions contact Swissair.

Tel Aviv: 44 Ben Yehuda St. (03) 243350
Jerusalem: 30 Jaffa St. (02) 225233
Haifa: 2 Sea Road (04) 364655
Beer Sheva: 38 Ha'Avot St. (052) 35282

swissair

THE WEATHER

Forecast: Partly cloudy.	Yesterday's	Today's
Humidity	Min-Max	Max
Jerusalem	42 48	18
Golan	41 48	18
Nahariya	61 13-20	20
Safed	66 7-17	18
Haifa Port	72 14-18	18
Tiberias	55 9-22	22
Nazareth	— 8-20	30
Alula	56 9-21	21
Shimonon	54 9-20	20
Tel Aviv	63 11-20	21
B-G Airport	49 9-20	21
Jericho	42 13-26	26
Gaza	72 12-19	19
Beersheba	37 5-23	23
Elat	26 14-27	27

SOCIAL & PERSONAL

Swiss ambassador and Mrs. Pierre-Yves Simonin yesterday visited Mayor Arye Gurel at Haifa city hall.

Mexican ambassador to Israel Dr. Raul Valdes, and Juan Muino-Kielman, the Mexican cultural attaché, were recently guests of Bar-Ilan University, where they met university president Professor Michael Albeck.

Amnon Goldenberg, former president of the Israel Bar Association, will speak on "Appointing Judges" at the Rotary Club meeting at the Tel Aviv Hilton at 1.15 p.m. today.

ARRIVALS

Robert H. Amow, chairman of the Board of Governors, Ben-Gurion University of the Negev.

Breakthrough seen on Egyptian cotton

Post Middle East Staff
The first agreement for the direct import of cotton fibre from Egypt to Israel was signed recently between the Egyptian government and an Israeli businessman, Mouki Meltzer.

Meltzer said that after six months of negotiations the Egyptian government had granted all the necessary permits for the \$1.5 million transaction. Describing the deal as "experimental," he added that it could pave the way for cotton fibre imports of \$10m. a year.

In the past, Israel imported Egyptian cotton fibre through third parties in Europe, which made it more expensive.

Israeli political circles saw the deal as a breakthrough. Noting the "large" number of visitors to the Israeli pavilion at the current international trade fair in Cairo, these sources said they hoped that further deals with Egypt would follow.

Israeli Ambassador to Cairo Moshe Sasson said that 4,000 people had visited the pavilion on its first day.

Labour parley on rotation delayed

By ROY ISACOWITZ
Jerusalem Post Reporter

TEL AVIV. — Today's scheduled meeting of the Labour Party central committee has been postponed, ostensibly due to Prime Minister Shimon Peres's inability to attend.

The committee was due to vote on a resolution that the party scrap the rotation agreement with the Likud, by having Peres resign and call new elections. The resolution, submitted by over 100 central committee members, is strongly opposed by Peres and party Secretary-General Uzi Baran.

But the real reason for the postponement is the Labour leadership's desire to wait until after the Herut convention and next Tuesday's elections for the Labour party convention, sources said yesterday. The meeting has been rescheduled for March 23.

Elitzur whip Holon

Post Basketball Reporter
Elitzur Netanya became the first newly-elevated team ever to make it to the finals of the national basketball league playoffs, when they whipped Hapoel Holon last night at Yad Eliahu 93-80.

This was their second straight semi-final win and earned Elitzur Netanya the right to meet with winner of the Hapoel Tel Aviv-Maccabi Tel Aviv semi-final.

HOME NEWS

Sharon beats Begin by 54:46 per cent

By SARAH HONIG
Post Political Correspondent

TEL AVIV. — Early yesterday morning Ariel Sharon roundly defeated Binyamin Ze'ev Begin, the former prime minister's son, in a contest for the chairmanship of the Herut convention's mandates committee, garnering 56 per cent of the vote and winning by a 230 vote margin.

Begin was running on the ticket of Yitzhak Shamir's camp. Sharon's support came both from his own faction and that of his *ad hoc* ally David Levy.

Levy was the most jubilant yesterday, attributing the victory to his own political prowess.

"This is the most potent answer to those who speak of putting David Levy in his place. They speak of sending me back to Beit She'an. Well, now I've shown them just who they are tangling with. They can't pack me up and ship me home. The Herut party is my home. It is my fortress. This is where I have support. This is where my pride is. This

is where my power resides," Levy crowed.

Winner Sharon was far more low-key in his reaction. "I see this as a vote of confidence in me, personally. The results show that decisions are reached democratically in Herut, based on issues and merit, and not influenced by external, spurious considerations. Herut is a party in which anyone can compete with a fair and equal chance. To my mind, chances are now improved for a peace agreement in the party. I had wanted to reach such agreement with the Shamir side. I extended my hand to them, but they spurned it."

The younger Begin seemed to take it all with aplomb. He did not campaign much and was not even present at the convention before and during the vote. Yesterday he said that the remaining convention days would indicate "where this party is headed," hinting that it might turn in a populist Levy-Sharon direction and away from the middle class mainstream which he prefers.



Ballerina Limor Axelrod of the Bat Dor Dance Company dances in Warsaw on Tuesday night in the first major performance by an Israeli cultural group since Poland broke off diplomatic relations in 1967. (Reuters telephoto)

Nina Katzir dies

Nina Katzir, the wife of Israel's fourth president Ephraim Katzir, died yesterday at Sheba Hospital after a prolonged illness.

The funeral will leave from the Katzir home at the Weizmann Institute of Science in Rehovot, at 11 a.m. on Friday. Nina Katzir, nee Gottlieb, was born in White Russia and came to this country at the age of 19. She studied at the Beit Hakerem teachers' seminary and for many years was a teacher of English in Jerusalem and Rehovot, to which she moved with her husband after the War of Independence. She was especially noted for developing innovative teaching methods.

Between 1973 and 1975, when she and her husband occupied Beit Hanassi in Jerusalem, she was especially active in youth affairs. One of the projects she initiated was an annual children's week. Last week, Mrs. Aura Herzog, wife of President



Nina Katzir (Rahmani)

Herzog, announced that this year's children's week, which will be held in two months, would be a tribute to Nina Katzir.

President Herzog, upon hearing of Nina Katzir's death yesterday, said that she had been an inspiring example of talent, sensitivity and broad perspectives. (Itim)

Syria blames Israel for tense atmosphere

Radio Damascus yesterday accused Israel's leaders and media of "creating an atmosphere of tension" by their talk of a war with Syria.

The radio commentary was a reaction to statements this week by Prime Minister Peres and Defence Minister Rabin in response to recent Syrian declarations on recovering

the Golan and achieving "strategic parity" with Israel.

The radio said that Israel's leaders were trying to dupe the world into thinking that Syria was threatening war. But all Syria was doing, the radio said, was warning the Arab nation against Israel's expansionist plans.

We mourn the passing of

DOV ESHKOL (Bebele)

The funeral will take place at Ayelet Hashahar today, Thursday, March 13, 1986 (Ader B 2, 5746) at 4 p.m.

The Family
Kibbutz Ayalet Hashahar

With deep sorrow, we announce the passing of my dear husband,

WARREN W. WOLF

The funeral will take place tomorrow, Friday, March 14, 1986, at 11 a.m., at Holon Cemetery.

Transportation will be available at 10 a.m. at the deceased's home, 14 David Yellin, Tel Aviv.

The Bereaved:
His wife: Mika
His brother: Arnold Wolf, and Family
His sister: Tatalana Green, and Family

We share the grief of our colleague

Mother

Management and Staff
TWA Israel

Rabin: No short cut to Areas problem

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. — Defence Minister Yitzhak Rabin last night warned against any attempt now to achieve an ultimate solution for the complex problem of the Palestinians and the Israeli-held territories.

"There is no short cut; (such an attempt) can only lead to stalemate, create new tensions with a possible war or imposed settlement, but not advance peace," he told the closing session of an Israeli-American symposium at Haifa University, on the topic of "Two States or Three on Israel's Eastern Front."

Rabin called instead for work towards interim arrangements, under an "umbrella" of cooperation in the territories, between Israel, Jordan and moderate Palestinians sharing responsibility for the areas.

Stressing that he was voicing his personal opinion, which had no

chance of being adopted by the present government, Rabin said that it would be a major mistake to attempt to impose Israeli sovereignty over the territories. It would block the hope for peace and create a bilateral state with a permanent Palestinian problem that would negate Israel's Jewish and democratic character.

He envisioned transitional arrangements enabling the majority of the Palestinians, including the refugees, to live under the single sovereignty of Jordan "in certain areas of the country."

Eliyahu Ben-Elissar of Herut and former National Religious Party MK Yehuda Ben-Meir insisted on full Israeli sovereignty over the whole country up to the Jordan River. They held that this still left most of Palestine to the Arabs, and that this was what the majority of Israelis wanted, which no government could

change. U.S. Ambassador Thomas Pickering was unable to attend. In a speech read by Embassy counsellor Howard Lane, Pickering scored Yasser Arafat for foiling an agreement with King Hussein.

"No amount of wriggling can change the fact that Arafat missed an opportunity to legitimize the role of Palestinians in negotiations and to begin the progress of resolving the dispute peacefully," Pickering said. Arafat's failure to recognize Israel's right to exist and his inability to forswear violence "undermined Hussein's strategy and undercut the faith many Palestinians and others had in him and the PLO."

Former Ambassador to South Africa, Yitzhak Unna, warned "we are heaping on our society many of the problems South Africa is trying to rid itself of" by staying in the areas.

Former U.S. assistant secretary of state Harold Saunders, who was active in the negotiations that led to the peace agreement with Egypt, stressed that the U.S. "has no difficulty" talking about self-determination for the Palestinians, even though it is hedged in by the "realities on the ground."

Self-determination was rooted in American values and was clearly established in the Camp David agreements, with Menachem Begin's own consent.

Saunders said the only way to test the PLO's positions and intentions was to negotiate with the organization "and both you and we have talked to them when we needed to."

He felt that an eventual solution would involve elements of confederation, with political expression for the "third identity," the Palestinians.

Tarifi would stand as mayor of al-Bira conditionally

Post Middle East Staff

Lawyer Jamil a-Tarifi yesterday said he would re-submit his candidacy for the mayoralty of al-Bira if Israel agreed to simultaneously appoint local mayors for al-Bira, Ramallah and Hebron. Tarifi, who reportedly backs the PLO, withdrew his candidacy the day after the murder of Nabius mayor Zafer al-Masri.

"If Israel wants to return the municipalities to the Arabs and our people... they have to return these three municipalities... Ramallah, Hebron and al-Bira," he said.

Tarifi said that finding Arab notables to run the three towns should not be a problem. But no Arab notable, he said, would agree to serve in one of these towns unless mayors were appointed at the same time for the other two.

But Tarifi said he has not yet discussed his proposal with Arab notables from the other two towns. Nor, he said, has he discussed it with the Israeli authorities.

Following al-Masri's assassination, engineer Walid Mustafa

Hamad, a pro-Jordanian, also withdrew his candidacy for the mayoralty of al-Bira. Nadim Zaro, another pro-Jordanian, who had been expected to put in a bid for the mayoralty of Ramallah, declared after the killing that he had no intention of seeking the post.

Tarifi said he had not received a response from the Civil Administration when he first submitted his candidacy about a month ago. The Israeli authorities' failure to reply, he said, indicated that they were not serious about their declared intention of increasing the powers of the inhabitants.

Rav-Seren Ron Krumer, deputy to the coordinator of activities in the territories, said yesterday that the Civil Administration would continue its policy of appointing mayors when and where it saw fit and would not accept dictates from anyone.

Krumer also said that the Civil Administration had responded to Tarifi's application, telling him that he was considered unsuitable for the post.

French army observer killed

BEIRUT (AP). — A French army observer was killed by a sniper while on duty at Beirut's dividing green line yesterday, military and hospital sources said.

They said Capt. Marc-Antoine Gervée, 39, was fatally wounded in the head at the gates of the former French ambassadorial residence in the Palais des Pins.

Corvée was killed as French envoys sought to free countrymen held hostage by Shi'ite Muslim zealots in militia-ruled West Beirut.

The pro-Iranian Islamic Jihad organization (Islamic Holy War) claimed one week ago it had killed one hostage, researcher Michel Seurat, in revenge for France's deportation to Baghdad of two Iraqi dissidents.

Islamic Jihad has also threatened to kill three other Frenchmen kidnapped in Beirut to force France to halt arms shipments to Iraq, Iran's foe in the bloody five-year-old Gulf war.

In Paris, the Foreign Ministry said that Iraqi President Saddam Hussein had pardoned the two Iraqi opposition militants expelled by France two weeks ago.

Iraqi sources in Baghdad were reported to have said the two men, Fawzy Hamza and Mohammed Hassan Khair Eddine, were free to return to France if they wished.

Haifa hold United

By DAVID RUDGE

HAIFA. — Ronnie Rosenthal missed a golden opportunity to give Maccabi Haifa victory over English FA cup holders Manchester United at Kiryat Eliezer stadium here last night.

In the closing minutes of the game, with the teams tied 1-1, Rosenthal was put through by Maccabi's guest player Uri Malmillian. But with only goalkeeper Gary Bailey to beat, the big, bustling Haifa striker blasted his shot into the side netting.

The game only came alive in the second half, with both goals coming in two minutes. Gordon Strachan shot United ahead in the 57th minute with a simple right-foot tap past Haifa keeper Avi Ran. But Haifa came straight back into the game after the re-start, when Malmillian got the ball from a left-wing cross and floated a curling shot over the heads of defenders and attackers alike into the top right-hand corner of the United net.

Finnish FM due today

Post Diplomatic Correspondent

Finland's Foreign Minister Paavo Vayrynen arrives in Jerusalem today for a three-day visit.

Vayrynen is to meet Prime Minister Shimon Peres and Foreign Minister Yitzhak Shamir, and will lecture on modern Finnish history at the Hebrew University of Jerusalem.

The family of

UZIEL H. ELLERN ז"ל

wish to express thanks to their many friends and relations for the sympathy and support in their bereavement.

Ellern
Chaimovsky
Gross
Many
Lowenthal
Isaac
Families in Israel and abroad

We extend sincere condolences to

Uri Inbar

on the death of his dear father

MORDECHAI ROTBARD

Hyatt Regency
Jerusalem

With deep sorrow, we announce that

SONIA KHAN

née Leon, of Netanya and Glasgow

wife of Maurice, mother of Joseph, Lynda and Myra, and grandmother of Adam and Emeline, has suddenly left us.

The funeral will take place, tomorrow, Friday, March 14, 1986 at Shikun Havatikim Cemetery, Netanya, leaving from 17/8 Sderot Chen at 11 a.m.

The Family

Forged U.S. visas sold for \$2,000 each

By BARBARA AMOUYAL
For The Jerusalem Post

A public relations office in the Shu'afat district of Jerusalem fronted for a lucrative counterfeit operation in 1985, selling forged U.S. visas to dozens of East Jerusalem and Ramallah residents at \$2,000 each.

Fraud squad investigators arrested three men suspected of involvement in the operation on January 10. Yesterday Jerusalem magistrates' court Judge Miriam Bernstein ordered one suspect released on bail and lifted the court order barring publication of the case.

According to investigators, the three suspects, residents of East Jerusalem and Ramallah, have pinned responsibility on Mohammed Jamil, who they say masterminded the scheme. Jamil is reported to be in the U.S. A request for his arrest has been filed.

Two suicides in Dan region

By YORAM GAZIT

TEL AVIV. — The body of a woman whose throat had been slashed was found yesterday in the sewer tunnel near the Dolphinarium beach.

The body, which is assumed to be that of a missing 30-year-old Rishon LeZion woman was discovered by a fisherman, Michael Barzilai, at about 12 noon. Since the woman's throat had been slashed with a kitchen knife, police at first suspected murder. But preliminary pathological findings indicate that the woman had killed herself.

In another suicide case yesterday, a 16-year-old arts school pupil shot herself in the heart with her father's pistol.

The girl left her parents' house in Holon on Tuesday night and spent the night at her brother's apartment. Yesterday morning, she returned home where she later shot herself.

We mourn the death of

NINA KATZIR

wife, mother and educator

The funeral cortege will leave for the Rehovot cemetery from the Katzir home on the grounds of the Weizmann Institute tomorrow, Friday, March 14, at 11 a.m.

The Katzir and Gottesman Families

The Weizmann Institute of Science

deeply mourns the passing of

NINA KATZIR

and expresses its profound condolences to

Prof. Ephraim Katzir and the family.

The American Committee for the

Weizmann Institute of Science

expresses its heartfelt condolences to

Professor Ephraim Katzir

on the loss of his beloved wife

NINA

To John Furman

Member of our Board of Directors

Sincere condolences on the death of your wife

SONIA ז"ל

Board of Directors
and Management of
ISRALOM - Israel Homes and
Real Estate Corp. Ltd.

The Elite Sports Centre,

Tel Aviv University

offers condolences to

Mr. John Furman

on the death of his

Wife

The Directorate,
Staff and Employees

Florence and George Wise

deeply mourn the death of

SONIA FURMAN

and express their sympathy to

John Furman and the family

The Royal British Legion

Israel Branch

share the grief of their chairman

Mr. John Furman

on the loss of his wife

SONIA

Ariel Sharon vs. Binyamin Begin

Military record beats the family name

ANALYSIS
SARAH HONIG

TEL AVIV. — In the battle between a military record and a widely revered family name, the military record of Ariel Sharon roundly trounced the name borne by Binyamin Begin of the Herut convention vote on Tuesday.

The outcome of the Begin-Sharon showdown for the chairmanship of the convention's mandate committee has its personal-emotional aspect, as well as profound political short and long-term significance for the party.

No Herut pundit predicted the Sharon triumph, announced at 4:30 a.m. yesterday, and certainly not by the wide margin of 230 votes out of over 1,800 cast.

On the personal level, the former premier's son must have found his first taste of the political battlefield a bitter one. Some say it will dampen his ardor to embark on a political career. But beyond that, Begin's candidacy was seen as a personal vendetta against Sharon, perhaps also on his father's behalf. The failure is thus all the more painful.

The Herut voters' apparent rejection of the Begin name is seen as a milestone in the annals of the party. For it seems to mark the crashing of a psychological barrier. Some even say that, more than anything else, the vote indicates the profound change that has come over the party founded by Menachem Begin. They say it is no longer the party of the old European Revisionists or of the Irgun Zvai Leumi's "fighting family" with memories of the underground. Herut is an open party in which newcomers have a good



At the Herut convention: Ariel Sharon (left) and Binyamin Begin.

(Brumann and IPPA)

chance of rising to the top fast. It attracts new forces, and these have prevailed.

This is the post-Begin Herut, which recalls its veteran revered leader with moist eyes, but which separates sentiment from practical day-to-day political considerations. Herut has shown that it is not a "royalist" party which automatically confers the father's crown on the first-born son.

But while Herut may have shown maturity in overcoming one emotional obstacle, its choice in this contest was most certainly based on another emotional appeal. Sharon pitted his accomplishments against the relatively limited public record of the younger Begin. He made delegates feel that it would be ungrateful of them to prefer the "upstart" with the illustrious name over him.

And delegates certainly bought that line. They love their "Arik," and that love is shared by not a few members of the "fighting family," who like Sharon's uncompromising stance on security and settlement.

To them, he is Herut's outstanding patriot.

Party insiders believe that Sharon was elected not only by the combined forces of his own and David Levy's factions, but also by many defectors from the Shamir camp. The latter may have been so confident that Begin would win on the Shamir ticket, that they thought it would do no harm to vote for Sharon, the underdog. Many reportedly thought the younger Begin had been unfair in his onslaught against Sharon, and that Sharon already victimized by the left, to their mind, would be wronged if he were now abandoned by his own party.

Others thought that exciting as Begin's maiden speech at the convention Tuesday might have been, he should not claim any extra privileges because of his lineage. Besides, they say, he is young enough and can wait to score political victories.

For Sharon, the victory was certainly a sweet personal triumph. But the question is how much of it was personal, and how much should it be interpreted as reflecting the balance of forces in the convention.

The Levy-Sharon alliance lost its first test of power when Shamir's candidate Moshe Katsav defeated Eliyahu Ben-Elissar in the vote for convention presidium chairman.

Then the margin (only 54 votes) was far narrower than yesterday's, and the result could be explained by Katsav's popularity compared to Ben-Elissar's.

Some in Herut say that the ad hoc Levy-Sharon team cannot be stopped and that it will eventually shape and control the new central committee, which will eventually pick the new party leader and the next list of Knesset candidates.

In the short run yesterday's victory cements the Sharon-Levy bond. Had Sharon been defeated, his supporters would have accused Levy of "treason" and would not have supported his bid yesterday to head the influential steering committee. Now Sharon's support for Levy is assured, and Moshe Arens's chances of defeating Levy in the contest for the steering committee chairmanship have suffered a dramatic set-back.

Moreover, Sharon, as chairman of the mandates committee, is in a position to add from 100 to 200 new delegates, and he can ensure they will not be Shamir supporters. This could certainly tip the scales even further against Arens.

But in the long-run, the Sharon victory has made Levy and Sharon potential rivals for the party leadership. Sharon can feel more confident than ever before. He will support Levy's tactical maneuvers as far as control of the convention is concerned. But he will be wiser than ever of backing any Levy move that would build the deputy premier up as party leader. Thus, if he decides to challenge Shamir for Begin's old title of party chairman, he will not be able to count on any help from Sharon.

HOME NEWS
IN BRIEF

TAU offers computerized electronics course

Jerusalem Post Reporter
TEL AVIV. — Israel's first computer-aided electronics course, developed by Tel Aviv University's School of Practical Engineering in cooperation with Degem Systems Ltd., was demonstrated to the press yesterday.

The course, in which students can advance at their own pace, teaches all the components of an electrical circuit and the detection and correcting of faults in them.

The course is offered as part of the school's regular curriculum and to evening students sent by industry. It will eventually become available to high school students and to youngsters in extra-curricular science and technology programmes.

Hospital administrators strike called off

Jerusalem Post Reporter
The threatened strike of administrative and auxiliary staff at government hospitals around the country, due to begin today, has been cancelled following hearings in the Jerusalem District Labour Court yesterday.

Negotiations between the unions and the Treasury are to continue, with workers complaining that their wages have been eroded. Nurses, who were prohibited from applying sanctions by an earlier labour court decision, were not due to be involved; neither were doctors in government hospitals.

U.S. black educators to meet with Navon

Jerusalem Post Reporter
A delegation of black educators from the U.S. is to meet today with Education Minister Yitzhak Navon.

Here for a week as guests of the World Jewish Congress, the five university officials will also meet with U.S. Ambassador Thomas Pickering and MK Simha Diniz. Their tour will include visits to Yad Vashem, the Knesset and the Weizmann Institute.

The trip is part of an effort to strengthen relations between blacks and U.S. Jews.

Peretz: Army lecturers push promiscuity

By HAIM SHAPIRO
Jerusalem Post Reporter
While soldiers are prevented from being influenced by the Tora, lecturers are brought into the army to tell women soldiers how to be promiscuous. Interior Minister Yitzhak Peretz said last night. Peretz, a rabbi and a leader of the Shas, Sephardi Tora Guardians Party, was addressing the annual rally of *hazirim bishviva*, the movement of the newly Orthodox, who gathered, several hundred strong in Jerusalem's Binyanei Ha'uma.

Peretz's comment related to the latest instructions issued by the IDF's chief education officer restricting the appearance in army bases of Orthodox lecturers urging recruits to return to Orthodox observance.

UN No. 2:
I am not
FO Arabist

Marrack Goulding, the new under secretary-general for special political affairs of the United Nations, would not be surprised if many Israelis identified him as a "Foreign Office Arabist," with all that the term connotes regarding his attitude to Israel.

"But it is not so," says the British career diplomat turned number two official at the UN. The whole concept of a "Foreign Office Arabist" is "a caricature" and unjust, he says.

Goulding is here meeting political leaders (Prime Minister Peres yesterday, Defence Minister Rabin on Tuesday) as part of a getting-acquainted swing around the Middle East. It is his first visit to this country.

Plymouth-born Goulding, who comes of a line of admirals on his mother's side and intellectuals on his father's, has indeed spent much of his adult life in Arab countries.

He went via public school (St. Paul's, London) and Oxford (Magdalen, reading Mods and Greats) to the diplomatic service. After a 15-month Arabic and Middle East affairs course in the Foreign Office's now defunct school in Shelem, Lebanon ("now on the front line between the Lebanese Army and the Druse militia"), Goulding served in Kuwait (1961-64), Libya (1968-70) and Cairo (1970-72), and was most recently UK ambassador to Angola (1983-85). He also served in Portugal and with the British delegation to the UN. Goulding reads and writes Arabic fluently though, he adds, he is "something less than fluent in speaking."

He was head of chancery and acting head of mission in Tripoli during Muammar Gaddafi's revolution in 1969, a somewhat "bumpy" experience, but "every young diplomat's dream... a moment of glory," he says. He recalls the undisciplined Libyan soldiery ("there were some nasty incidents"), and the work of gathering British nationals — many of them single women — into a few flats around town until the storm died down. "There was safety in numbers," he explains. Perhaps the worst moment came two months after the Gaddafi takeover, when a mob attacked the British Embassy compound. "I think after we had just come back from church," it was the anniversary of the Balfour Declaration, he recalls. The mob stoned the building and began climbing the drainpipes onto the roof and battering at the back door. Just as the door collapsed, Goulding recalls, Libyan police intervened and pushed back the mob. "It was beautifully timed. It wasn't an enjoyable half-hour," he says.

Goulding enjoyed his Cairo years, a period in which Gamal Abdel Nasser died and Sadat came to power. Sadat hadn't yet signalled his "political courage," though Goulding remembers sending the Foreign Office reports saying that the Egyptian leader's statements about the "year of decision," (1973) should be taken seriously.

In the mid-1970s, Goulding was a member of the Cabinet office think-tank that produced a thick report on how to reorganize (and cut back) on BBC, British Council and diplomatic

IN PERSON
BENNY MORRIS

service postings abroad. The report raised a ruckus and was fiercely criticized partly on the grounds that "it was badly written." Goulding recalls. Changing things in Britain is very difficult, he says. "The water has to drip on the stone for a very long time." But many of the report's recommendations were essentially implemented, he says.

While serving with the British delegation at the UN, Goulding was on the three-man British team that sought a resolution to the Falklands crisis in talks with the Argentine. Organized by UN Secretary-General Javier Perez de Cuellar, right after the Argentinean invasion of the islands, the negotiations, Goulding says, were held "under tremendous pressure as the [British] task force was steadily steaming towards the Falklands." The talks produced a solution, Goulding recalls, "but it was rejected by [Argentinian President] Galtieri."

Nonetheless, Goulding had now come to Perez de Cuellar's attention. In 1983, after Goulding took up his post in Angola, the secretary-general, passing through Luanda, asked the British ambassador to remain "on stand-by" for the UN



under-secretary. Goulding resigned from the British diplomatic service last year and, after a term as a senior associate member at St. Antony's College, Oxford, took over from Brian Urquhart — who had served with the UN for 40 years — on January 1. Goulding makes it clear that he is not on "secondment" to the UN. "I have left the British diplomatic service. I intend, if things work out, to spend the rest of my working career with the UN," he says.

Goulding preferred not to go into detail about his visit to the Middle East. But, he says, he sees UNIFIL — like other UN forces in the Middle East — as a buffer between hostile forces. The removal of these forces would probably lead to fighting.

Goulding has spent most of his stay here meeting politicians, although he did visit Yad Vashem. He says he looks forward to further visits and to seeing something of the country, in particular Masada.

He likes bridge and poker, and is an amateur ornithologist. He is married with three children. His youngest, 18, is currently stranded beside a truck in the middle of the Sahara — "between Niger and Algeria" — waiting for spare parts to arrive, in the middle of a six-month expedition from England to South Africa. "Not good for his parents' morale," Goulding said.

Goodwill on both sides

Ashkenazi chief rabbi meets Hashomer Hatzair

By HAIM SHAPIRO

Take about 40 of the most articulate, brightest and most promising members of the country's largest Socialist youth movement, pit them against a chief rabbi and what have you got? Very little, it turns out.

The annual seminar of the national Hashomer Hatzair council had chosen democracy as its theme and asked for a meeting with Ashkenazi Chief Rabbi Avraham Shapira. The rabbi and his staff were delighted with the request. Earlier in the week, the Chief Rabbinical Council had passed a long, somewhat bombastic resolution stressing the need to bring the various camps of the Jewish people together. Now, here they were, two of them.

Visually it was perfect: The elderly chief rabbi, dressed in black, his snowy beard and sparkling eyes framed by a large black hat, and the youngsters, with their shocks of straggly hair, dressed in the blue shirts of Hashomer Hatzair.

There was good will on both sides. The youngsters were polite and lis-

tened attentively. The rabbi considered their questions seriously. The meeting started promisingly enough, with questions about the office itself and how the chief rabbis were chosen.

"Can a Reform rabbi become the chief rabbi?" one youngster asked. Shapira answered that the position involved a degree of learning that he doubted any Reform rabbi possessed. Not even all Orthodox rabbis can become chief rabbis, he noted. Besides, he added, the Reform movement doesn't accept the Tora.

"Our attitude towards Reform rabbis," he said, "is like the attitude of doctors towards sorcerers. They might do some good, but..." As the discussion turned to the Tora itself, the exchange heated up a little. The Tora is unchangeable, Shapira told them, in answer to assertions that Jewish leaders had modified the law over the ages. "Give me an example," Shapira asked. "The Rambam (Maimonides)," a girl answered.

"Where?" Shapira asked, and she was silent. "I study the Rambam, and I can tell you he didn't modify the Tora."

"Why do you coerce us into observing religious laws?" someone asked. "I'm not coercing you. Look, you're sitting there with your heads uncovered, boys and girls together. In what way am I coercing you?"

From here the discussion turned quickly to the question of whether religious legislation was the result of coalition pressure or, as the chief rabbi would have it, represented consensus, that includes most secular Jews, not to divide the Jewish people.

For Shapira, the Tora is immutable and those who do not accept it are acting out of a concern for their personal comfort. "It's not always easy for me either," he told them. "For you, it's a matter of convenience, for me it's very different."

Only towards the end of the discussion did one young man raise the question of personal rights, and, in particular, those of women in mar-

riage and divorce procedures. Shapira offered the traditional argument that men and women are different by nature. "Women can give birth, you can't," he told the questioner, "is that unfair?"

"But why do you force us to go through religious ceremonies?" he was asked. "You've been to a wedding. Did anyone suffer?" the rabbi answered. More youngsters then wanted to ask questions. The usually soft-spoken rabbi raised his voice and appeared to be enjoying himself. But the meeting ended on a sad note.

"There used to be a time," the rabbi told them, "when believers and non-believers could talk to each other. Even the non-believers knew the Tora. If they hadn't studied it themselves, they knew it from their parents."

"Now, you don't even have a whiff of Tora. You haven't learned from your parents because they don't know either. You don't know what you're missing, and that's the greatest tragedy."

Unwanted pregnancies rise with fear of contraception

By JUDY SIEGEL

Jerusalem Post Reporter
A growing lack of confidence in the contraceptive pill and intrauterine devices and fear of reported medical complications resulting from their use has created more unwanted pregnancies, according to a new study conducted in Jerusalem.

The research covered about 1,000 Jerusalem women who were counselled after having unwanted pregnancies by the pregnancy advisory and follow-up service established by Misgav Ladach Hospital, the Histadrut's Kupat Holim Clalit health fund and the Hebrew University's School of Social Work. The women were

asked to respond to questionnaires prepared by a research staff headed by Lotte Salzberger, Sara Magedor and Jeannette Baumgold of the Social Work School.

Fifty per cent of those surveyed said that they had not been using any contraceptive methods just prior to becoming pregnant. Only 21 per cent said they had never used any birth control method. Thirty-one per cent had recently used "traditional," but unreliable, means of birth control, such as the rhythm method, nursing and coitus interruptus, while only 6.5 per cent said they had used such methods in the past. Half those who had used these unreliable methods said they had previously used modern methods like the pill and IUDs.

The researchers say that the results show a regression in the use of

modern methods, apparently because of fears that their use may result in infertility or cancer. Unwanted pregnancies could not be attributed to a lack of information about modern contraceptives or an inability to obtain them.

Women react to media reports of the dangers of using these contraceptives, and seem to have inadequate medical counselling on the subject.

The women studied indicated three main reasons for their having become pregnant: failure of the contraceptive method they were using (nearly four times as many were using the unreliable methods as using the pill or an IUD), incorrect use of the contraceptive, and cessation of the use of birth control on instructions from a doctor who failed to advise them on an alternative.

Israel Railways
Supply Administration
Tel. 04-531211
P.O.B. 44, Haifa
Tender 86/210/MS

Sale by Tender of
Electric Cables and Copper Waste

The tender schedules and conditions may be purchased at the office of the Supply Administration — Mr. Arye Dinman — Tel. 04-531211, ext. 2182, from today, between 8 a.m. and 12 noon.

A bank guarantee of 10% of the bid total must be attached to your bid.

Bids must be submitted in a sealed envelope on which the tender number should be written; they should be placed in the tenders box at the Finance and Accounts Dept., Haifa East Railway Station, not later than 12 noon on April 3, 1986.

No undertaking is given to accept the highest or any bid.

0086-10-02

The New Complete
MEDICAL AND
HEALTH ENCYCLOPEDIA

Edited by
Richard J. Wagman, M.D.

Finally, a complete, authoritative reference work written expressly for the non-professional — a medical encyclopedia that clarifies and instructs. This four-volume, 1412-page set covers the basic body functions, symptoms of diseases, general nature of illnesses and the probable course of corrective action.

Includes a Medical Emergency section, edged in red for instant reference; articles written by specialists on heart disease, cancer, diabetes and other major illnesses; complete coverage of physical fitness, sex and sexuality, nutrition and weight control. All the up-to-date medical knowledge of vital concern to your entire family, from newborns to the elderly. Published by Lexicon.

List price: NIS 142.80

SPECIAL OFFER TO
JERUSALEM POST READERS — NIS 112.50
or a total of NIS 120. — in 4 monthly instalments

To: BOOKS, The Jerusalem Post, POB 81, Jerusalem 91000
Please send me THE NEW COMPLETE MEDICAL AND HEALTH ENCYCLOPEDIA

- ☐ At the special price of NIS 112.50. Enclosed is my cheque for NIS.....
- ☐ I will pay 4 monthly instalments, the first of NIS 30. —, the other three linked to the exchange rate for the dollar on the date of payment

Enclosed is my cheque for NIS.....
to cover the first instalment
I would like to pay the remaining instalments by

☐ Bank transfer

NAME

CITY

CODE

TEL.

ADDRESS

This is addressed to the widower

who, like me, has had a wonderful part A, only to be struck by an unkind fate that did not allow a continuation.

Yes, this is addressed to you if, as the years go by, you ask yourself whether it would be worthwhile to try part B; and how you go about meeting someone.

If you are in your fifties, intelligent, elegant, serious and refined, please write to P.O.B. 33087, Tel Aviv.

— Discretion Assured —

0743-10-754

Comprehensive Pension Scheme
for the Observant

Gilda — Pension Fund for Observant Workers provides social security for its members. The fund will provide every worker in organizations that contact it with a comprehensive retirement pension.

The deduction for a pension is 16% of the worker's wage.

The fund has more than 11,000 members, including employees of Hachatzair organizations, workers of the National Religious Party, banks, yeshivas, religious colleges, Bar-Ilan University staff, and the employees of seminars, local councils, various educational institutions and plants.

According to Mr. Noah Vladimirovsky, the Director-General of the fund, Gilda concentrates on attaining efficient administration, on investing its assets in high yield securities, and in ensuring the actuarial balance of the fund, thereby safeguarding the rights of all members, now and in the future.

What, then, are the rights of members?

Retirement Pension — After 32 years' membership, an insured person reaching retirement age is entitled to a monthly pension of 70% of his overall salary, for the rest of his life.

A member who completes more than 35 years' membership in the fund, or in funds with which Gilda has a "continuity" agreement, is entitled to receive on retiring a one-time grant of 75% of his last salary, for each year of membership over the 35th, up to the membership year in which he reaches 65.

For workers at educational institutions, there is an arrangement allowing early retirement at age 55 for women

and 57 for men.

What does Gilda offer as survivors' pensions?

Gilda pays survivors' pensions, in the event of the death of a member, after he has made 12 monthly contributions. A widow is entitled to a pension of 40% of the deceased's salary; children up to the age of 22 are entitled to a maximum of 40% of the deceased's salary, and if there are other dependants, the total paid as survivors' pensions may be up to 85%.

In addition to survivors' pensions, the family of the deceased receives a one-time payment that in 1985 amounted to NIS 1,500. This amount is increased, if the employee and employer pay larger monthly dues. Members of the fund are also covered for disability pension, when partial or full disability arises from medical causes. The maximum paid for full disability is 70% of the total salary.

Mr. Noah Vladimirovsky also notes that, in addition to pensions, the fund assists its members with loans given from the funds assets for constructive purposes, such as apartment purchase, medical treatment and house improvement. The fund has agreements with the Histadrut pension funds, the pension funds of the government, and of the Local Authorities Organization and the universities, covering continuity of rights. These agreements safeguard the pension rights of those who change their place of work.

On retiring, members may arrange partial capitalization of their pension. A member may receive a one-time payment derived from 25% capitalization of his pension for five years. At the end of this period, he resumes a full pension.

Gilda's financial position (NIS)

	1985	1984
Balance sheet total on December 31	147,800,000	45,715,980
pension fund dues	5,740,400	1,646,880
income from interest, securities and revaluation differentials	98,630,000	37,653,170
Pension payments	1,500,450	382,527

The net increase in 1985 in real terms was about 11%. Actuarial surveys have shown that Gilda is in a satisfactory position: the last actuarial survey made in 1984 shows that the fund is actuarially balanced, and in a strong position.



Carlsson elected Sweden's premier

STOCKHOLM. — In a two-minute vote, the Swedish Parliament yesterday confirmed the country's new Social Democratic leader Ingvar Carlsson as successor to Prime Minister Olof Palme, who was murdered on February 28.

Carlsson, who took over as acting premier on the night of the killing, was elected unopposed as Sweden's new prime minister with the support of the Social Democrats and their Communist allies.

The 159 deputies of the centre-right opposition abstained and the motion to appoint Carlsson was carried by 178 votes. The new prime minister, who had served as Palme's deputy since 1982, is due to announce his cabinet and government programme today.

Carlsson, 51, smiled broadly as party colleagues filed up to congratulate him after the vote and then left the chamber while parliament

immediately plunged into a finance debate marking the return of business as usual.

Meanwhile, it was announced that the body of Palme will be taken through central Stockholm Saturday in a procession headed by flag bearers and drummers.

The Social Democrats also said it would provide 3,000 honour guards and 600 flag bearers along the route.

Palme's white casket will be borne on a catafalque pulled by two teams of young Swedes, the party said, and will be followed by cars carrying 32 members of Palme's family.

An international assembly of political leaders, foreign envoys, guerrilla leaders and entertainment personalities sympathetic to Palme and his politics are to assemble before the procession for a civic funeral in Stockholm's waterside City Hall.



Ingvar Carlsson (centre) is congratulated after his election by Bengt Goransson (left), minister of culture, and Leunart Bodstrom, minister of education. (Reuters telephoto)

Commons panel: Irish Sea most radioactive in world

LONDON (AP). — A parliamentary report said yesterday that Britain's leak-plagued Sellafield nuclear plant has turned the Irish Sea into the most radioactive sea in the world.

The report by the all-party environment committee of the House of Commons said the plant's largest nuclear reprocessing facility, on the northwest English Coast bordering the Irish Sea, is the "largest recorded source of radioactive discharge in the world."

As a result, the Irish Sea is the most radioactive sea in the world. That the United Kingdom, with a comparatively small nuclear industry, should be so dramatically out of step is a cause for concern, the report stated.

It called for reductions in permitted levels of discharges from the

plant into the sea and for a full analysis of the cost of reprocessing spent fuel from nuclear power stations at Sellafield compared with the costs of storing it. It said some experts had testified to the committee that stockpiling seemed to be an economic alternative to reprocessing.

Ireland's Deputy Premier and Environment Minister Dick Spring said his government had lost confidence in Sellafield because of recent leaks "and we want to see improvements."

British Nuclear Fuels Ltd., the state-owned company which runs the plant, said radioactive discharges from Sellafield were well within the legal limits, had been significantly reduced "and further reductions are planned."

Top German agent for KGB: 'I'm satisfied with my life'

EAST BERLIN (Reuters). — One of the Soviet Union's most successful intelligence agents in West Germany told reporters yesterday that he was happy with his life's work and denied directly causing the death of former colleagues.

Heinz Felfe, 67, for 10 years Moscow's crack agent in the West German BND espionage service, described his spying career at an unusual East Berlin news conference called to launch his memoirs, *In the Service of the Adversary*.

Felfe, who was released to East Germany in an East-West spy swap in 1969 after serving six years of a 15-year jail sentence, said he had researched the 384-page book at the

Moscow library of the Soviet secret service, the KGB.

"I am satisfied with my life," Felfe said. "I have lived my life and made a contribution to society as I understand it. I am happy here," he added, saying he still drew a comfortable pension from Moscow.

Felfe headed the BND section in charge of activities targeted against the Soviet Union at the height of the Cold War. He was able to furnish Moscow with masses of highly classified information on the BND and Allied services.

Grey-haired and bespectacled, Felfe appeared calm and alert throughout the hour-long conference.

Police kill one, wound 80 in S. Africa

JOHANNESBURG (AP). — A policeman opened fire on a crowd of peaceful teen-agers and other officers then fired "at random," killing one youth and wounding 80 other people, a homeland leader said yesterday.

In a separate clash, police said they wounded 14 black women when they opened fire to disperse rioters who had set fire to a vehicle.

Chief Minister Enos Mabuza of the KwaZulu homeland on South Africa's eastern border demanded a full investigation into the shootings

Tuesday outside a court in the Nakobweni township.

"Most of the pupils who were interviewed at the Themba hospital had birdshot wounds on their backs," Mabuza said.

Police headquarters said a crowd of about 2,000 gathered at the court building in support of eight youths facing charges related to unrest in the township last month. The crowd became unruly, refused orders to disperse, and then police fired tear gas and birdshot to scatter the youths, police said.

Human heart replaces artificial heart

WEST BERLIN (Reuters). — West Germany's first recipient of an artificial heart was given a human heart Tuesday night after undergoing intensive surgery for the second time in a week, his surgeon said yesterday.

Heart specialist Emil Buecherl said he was pleased with the condition of his patient, 39-year-old Hans Holzweg, whom he described to journalists as being "out of danger."

Holzweg last week received an artificial plastic and aluminum heart in the first such operation in West Germany.

CAIRO. — An Egyptian Air Sinai jetliner, being moved to a hangar, rammed an Egyptian Airbus parked at Cairo airport Tuesday night causing an estimated \$8.4 million damage to both planes.

Le Pen odd man out Hostage crisis unites candidates in French politicking

By PAUL CHUTKOW / Paris Jerusalem Post Correspondent

IN THE FACE of the deepening hostage crisis in Lebanon, France's major political leaders on both the left and the right are closing ranks behind President Francois Mitterrand. But there is one odd man slightly out: Jean-Marie Le Pen, the fiery, controversial leader of the "Frenchmen first," extreme right party, the National Front.

While all the other major parties have refrained from politicking on what they agree is a question of national unity, Le Pen was widely reported Tuesday morning as thumping to a campaign rally: "No to the ayatollahs."

Some of the French press reacted similarly Tuesday to new claims by Islamic Jihad that he had executed one of eight French hostages in Lebanon, the researcher Michel Seurat. But there was general press agreement about the need to keep

been a disappointing flop. Neither the right nor the left has excited the young going into Sunday's crucial vote, and several opinion polls show it. A typical reaction comes from Bruno, a 23-year-old science student.

"Who cares who wins these elections?" he asks rhetorically. "There isn't much difference between the right and the left any more, and neither side is going to be the solution to our problems in any case." Echoing this judgment, several opinion polls show broad voter disappointment that the long campaign has somehow failed to properly engage several issues voters hold to be key, with youth unemployment high on that list.

BUT IN what some French papers have characterized as a general campaign atmosphere of boredom and indifference, one political figure still stirs controversy at every turn: Le Pen. Shunned by the left and the traditional right, and with polls showing his support nationwide on the decline, Le Pen nonetheless remains a potential wildcard factor in Sunday's elections.

Two years ago, Le Pen's party won nearly 11 per cent of the vote in elections to the European Parliament. That set off a flurry of worries, on the left and the right, of a rising "Le Pen effect" that could polarize the country and inject into the political debate the National Front's explosive themes: immigration, law and order and a xenophobic "Frenchmen first" worry about national identity.

On the left, one evident worry was the rise in France of anti-immigrant sentiment. On the right, the same worry was coupled with the fear that Le Pen would steal support from the two traditional conservative parties.

Now, though, on the eve of the critical elections, Le Pen and his party are clearly on the decline. The

the hostage crisis out of the final campaign for national elections this Sunday.

In other ways, too, Le Pen has been the odd man out of this campaign to choose a new 577-member National Assembly. In the minds of many French people, especially the young, the national election campaign now drawing to a close has



Right-wing parliamentary candidate Jacques Chirac shakes hands with a fishmonger in Marseille during the run up to elections next week. (AFP)

latest polls indicate he may get 6 to 8 per cent of the vote and some 15 legislative seats under the new system of proportional representation.

The two main conservative parties, the neo-Gaullist RPR and the liberal UDF, are expected to poll about 45 per cent of the vote, enough to give them a clear majority without the National Front. The major leaders on the right have also ruled out any governing with Le Pen, and Paris Mayor Jacques Chirac has denounced his "racist philosophy."

Le Pen was further hurt last weekend when a follower of his party knifed to death a Socialist Party worker in a fight over campaign posters. Le Pen condemned the campaign violence, but the episode clearly undercut the effort he has been making to tone down his heretofore fiery speeches and look like just another candidate on the right.

Significantly, leaders from across the political spectrum were among

the thousands of mourners who filed past the scene of the attack during the weekend.

PART OF the present stigma Le Pen and the National Front have come from a clever anti-racist campaign called "S.O.S. Racism." Bringing together youthful groups of French young people and intellectuals from France's different ethnic communities, "S.O.S. Racism" has held marches, concerts and rallies to promote the theme, "Don't touch my pal."

With support from the Ministry of Culture, and approving attention from the media, "S.O.S. Racism" at once stands in opposition to the National Front and underscores the importance many young voters attach to promoting racial tolerance. As such, the movement also stands as a warning to the right against any compromises with Le Pen.

Still, some of the National Front's pet themes remain just beneath the surface of the overt campaign debates about unemployment, law and

order and the future of French schools. When the RPR or UDF parties attack the Socialist government for being "laxist" about rising crime, Le Pen can gleefully claim the traditional right is stealing his thunder.

When Paris Mayor Jacques Chirac complains that the police have had their powers eroded, especially in their right to stop and check identity papers, Le Pen can smile and claim he raised the issue first.

When all the parties of the right join in claiming the government is allowing educational standards to slip, particularly in some urban schools, the left can accuse them of echoing Le Pen.

During the campaign, though, the traditional right has managed to distance itself from Le Pen, if not from some of his pet themes. According to the authoritative daily *Le Monde*, a poll in November 1984 showed that a majority of RPR supporters, and a third of UDF supporters were in agreement with Le Pen's ideas. A year later, a similar poll showed that clear majorities of both parties disagreed with Le Pen's ideas.

By the end of 1985, 65 to 70 per cent of both parties followed their national leadership in rejecting any political accord with the National Front. To further distance themselves from Le Pen both parties have pressed a "useful vote" argument, urging rightists not to "throw away" their vote on Le Pen.

If Le Pen has been hurt nationally, he remains strong in certain enclaves of France, such as Marseilles. This complicates any forecasting of how much strength his party will have under proportional representation.

An impassioned orator, a go-for-the-jugular debater and a gut-issue campaigner, Le Pen's voice is bound to be heard in the next parliament, no matter how many seats his National Front secures, and no matter how little support there is for his message.

FOREIGN NEWS IN BRIEF

U.S. says Soviets give Nicaragua \$260m. in aid

WASHINGTON (AP). — U.S. intelligence officials say the Soviet Union is providing Nicaragua with \$260 million in economic assistance this year.

This figure, which can't be independently confirmed, is larger than what the U.S. provides any of its allies in the region, the officials said this week. President Ronald Reagan has asked Congress to authorize \$100 million for military and economic aid to the anti-government rebels in Nicaragua, who are known as Contras.

The U.S. is nearing the end of the \$27 million Contra aid programme begun last September.

In addition to the Soviet aid to Nicaragua, East Germany is expected to contribute \$35 million and Cuba about \$20 million to the Sandinista government this year, according to the U.S. intelligence officials.

Sailor found alive after drifting four months

OSLO (Reuters). — A Norwegian sailor has been found alive and well in the mid-Atlantic after drifting for four months following engine failure on his fishing boat, the Oslo daily *Aftenposten* said yesterday.

Einar Geir Einarsen, 45, had not been heard of since setting out single-handed from Lisbon, bound for Trinidad. The newspaper said Einarsen was found by a Liberian gas tanker. He appeared haggard but fit and told the ship's crew he had lived on rainwater and fish after running out of provisions.

"He took on new supplies, then showed off," said the tanker's captain. Einarsen, who refused further help, estimated it would take the current another 40 days to carry him to Trinidad.

Danish cabinet shuffle biggest since 1982

COPENHAGEN (Reuters). — Danish Prime Minister Poul Schluter introduced nine newly-appointed government ministers yesterday after the biggest cabinet reshuffle since his four-party ruling coalition took power in 1982.

"Everything points to the fact that there will be about two years before the next general election. So we felt the government should make changes in its team now," Schluter told a news conference attended by the ministers. Six ministers left the cabinet, six new people joined and three ministers switched posts in the reshuffle, which was on a much larger scale than had been generally predicted.

The nine ministries affected were labour, housing, industry, culture, social affairs, agriculture, fisheries, energy and the interior. There were no changes at the key finance, foreign affairs and defence ministries.

Japanese jailed for televised bayonet killing

OSAKA (Reuters). — Two Japanese who hacked a gold trader to death with a bayonet as dozens of television and press cameramen filmed the scene were jailed yesterday for murder.

An Osaka court sentenced Atsuo Iida and Masakazu Yano to 10 and eight years respectively for the murder of Kazuo Nagano last June.

Journalists keeping vigil at the house of Nagano — who was at the centre of a business scandal — watched as the men armed with a bayonet pounded on the door, broke in through a window and reappeared dripping with blood.

Egypt to compensate tourists for riot losses

CAIRO (Reuters). — The Egyptian government has decided to pay \$500 compensation to tourists who lost their belongings during last month's rioting in Cairo, the Middle East News Agency reported yesterday.

Hundreds of tourists who escaped from the Pyramids area had to leave their luggage behind when riotous police conscripts set fire to several hotels on February 25. Others were robbed at gunpoint.

At least 107 people, including a Danish tourist, were killed in the disturbances and hundreds injured.

Texas killer, star of documentary, executed

HUNTSVILLE, Texas (Reuters). — Convicted killer Charles Bass, whose case was the focus of a French documentary film about violent crime in America, was executed by lethal injection yesterday.

"I deserve this. Tell everyone I said goodbye," officials quoted Bass as saying minutes before his execution for the 1979 shooting of a Houston city marshal.

Bass, 29, refused a last meal and had only a cheese sandwich and coffee four hours before being led from death row at the Texas State Penitentiary just after midnight. Officials said he was declared dead eight minutes after being given a lethal injection.

Interviews with Bass and Houston police were the subject of the documentary "Murder in Houston" which won French director Francois Richienbach recognition at the Cannes film festival.

Anglican split seen over naming woman bishop

FAIRFIELD, Connecticut (Reuters). — Traditionalist bishops and clergy have warned of a split in the 65-million member Anglican communion if the U.S. branch of the church goes ahead with plans to name a woman bishop.

The warning came Tuesday ahead of yesterday's meeting of primates from 28 Anglican churches who will discuss the ordination of women. The Archbishop of Canterbury was to chair the meeting at a mission near Toronto.

Bishop of London Graham Leonard, third-ranking prelate of the Church of England and a leading traditionalist, told reporters Tuesday that a split seemed inevitable if the U.S. Episcopal church named a woman bishop, a move which has been endorsed by a majority of its prelates.

Space probe closes in on Halley's Comet

DARMSTADT, West Germany (Reuters). — A half-ton spacecraft moving faster than a bullet will spin past Halley's Comet tomorrow in man's closest encounter with the mysterious vagabond of the planets.

The European Space Agency (ESA) probe Giotto was fixed on its risky near-miss course early yesterday, scientists at the European Space Operation Centre (Esoc) here said.

It will skim just 540 km from the comet's core at a speed of 246,240 kph collecting data and taking pictures that may give clues to the origin of the solar system.

Scientists planning the encounter 144 million km from earth say the risk of Giotto colliding with the hurtling comet is only theoretical.

But there is a real risk of the craft being pulverized by high-speed particles in Halley's streaming tail of dust.

Halley's Comet, which zooms by earth every 76 years, was first recorded by Chinese astronomers in 240 BCE. Modern-day astronomers believe its solid core, some five km across, is of matter unchanged since the beginning of the universe about 4.6 billion years ago.

The comet rounded the sun on February 9 and is now heading back to the furthest reaches of the solar system.

Giotto is the most daring stage of a three-phase international bid for close-up visual and chemical probes of the comet on its latest return.

Aquino probe of Marcos try to buy clout in Washington

MANILA. — The Philippine government sent an investigator to Washington yesterday to probe alleged attempts by deposed president Ferdinand Marcos to buy influence in the White House.

The head of a commission trying to claw back Marcos's estimated \$10 billion hidden wealth said he aimed to uncover a reported six-year drive by Marcos to "capture" U.S. goodwill at the highest level.

Jovita Salanga, chairman of President Corason Aquino's Commission on Good Government, told reporters the charges had still to be proved but added:

"All these will be verified by the commission. The truth or falsity will be a matter for the commission to determine."

The pro-Aquino *Philippine Inquirer* newspaper said yesterday Marcos wanted to "capture key officials of the Reagan administration and key Reagan personal advisers using financial sweetheart deals."

Also in Manila yesterday, Aquino appointed a commission that was to report back in a week on whether to declare a revolutionary government with sweeping powers.

During the new government's first cabinet meeting, groups also were assigned to tackle reorganization of local government and to chart new directions for the moribund economy. (Reuters, AP).

SPORTS

Maccabi strive for honour

Post Sports Staff

TEL AVIV. — Tonight's final European Cup basketball game in Milan between Simac Milano and Maccabi Tel Aviv has completely different significance for the two teams.

For the Italians it is a life or death affair — they have to win to have a chance of qualifying for the Cup finals. Maccabi's role can only be that of spoilers, since they are already out of the finals. For honour's sake, they may go flat out to Italy.

Windies whip England again

PORT-OF-SPAIN (Reuters). — The West Indies won the second test against England here today by seven wickets, thus gaining a 2-0 lead in the five-match series.

Scores: England 176 and 315. West Indies 399 and 95 for 3.

A defiant last-wicket partnership of 72 between fast bowlers Richard Ellison and Gred Thomas restored fading England pride.

England were 214 for eight, when

gain another victory on Italian soil, but, realistically, they will be planning for their crucial local semi-final game against Hapoel Tel Aviv on Monday night.

For this reason, they left their assistant coach, Moshe Veinkrantz, behind, to spy out the land by watching last night's other semi-final encounter between Hapoel Holon and Elitzur Netanya. Maccabi are also without Doron Jamchee, who has a slight injury, and did not travel to Italy.

Ellison and Thomas put on a record last-wicket partnership for England in the West Indies, leaving the West Indies needing 93 to win.

Greenidge (45) and Haynes 39 n.o. steered the Windies to a comfortable victory.

Shahar loses in three sets in Milan

MILAN (AP). — In a first-round match Australian John Fitzgerald needed three sets to overcome Shahar Perikiss of Israel, 3-6, 6-3, 6-3 in the Eila Trophy Indoor Tennis tournament here. In the second round, Fitzgerald will be pitted against fourth-seeded Miroslav Mecir of Czechoslovakia, who struggled nearly three hours to down young Italian Paolo Cane.

Bob Green of the United States defeated eighth-seeded Swede Jan Gunnarsson 6-0, 6-2 in a second-round match yesterday and advanced into the quarterfinals.

In Dallas, seventh-seeded Bulgarian Manuela Maleeva was knocked out of the Dallas Women's Tennis Tournament. Maleeva raced away with the first set in her second-round match against American Wendy White but let too many chances slip

in the second set and was eventually defeated 1-6, 6-3, 6-2.

By contrast, Martina Navratilova, the world number one, did not let her concentration slip, as she defeated fellow American Elise Bergin 6-3, 6-4.

In Frankfurt, Andreas Maurer, the West German Davis Cup player, has walked out on doubles partner Boris Becker.

"I'm tired of being used as a scapegoat and tired of being told it is my fault when we lose," said the 28-year-old Maurer, ranked 34th in the world.

In Mexico City, new star Leonardo Lavalle, 18, is being declared a virtual national hero.

"Leo finished the deed," wrote the sports daily *La Aficion*, quoting Ramirez as saying he hoped the victory would spark the Mexican national soccer team.

Watford hold Liverpool in Cup-tie

LONDON (AFP). — A magnificent display by goalkeeper Tony Coton earned Watford a goalless draw and a replay at home against Liverpool in the English FA Cup quarter-finals on Tuesday night.

He saved superbly from Welsh international striker Ian Rush twice, from Scottish forward Kenny Dalglish, the Liverpool player-manager, and fire defenders Mark Lawrenson and Jean Belin to end Watford's dismal run of nine successive defeats at Anfield.

On the one occasion Coton was beaten, centre-back Steve Terry headed off the line to ensure the teams will have to clash again at Vicarage Road next Monday.

In the First Division, Southampton, who meet the winners of that replay in the semi-finals, increased Queen's Park Rangers' relegation worries with a 2-0 victory at Loftus Road.

Stuart McManus marked his league debut with a 22nd minute goal and Glenn Cockerill added a second just before half-time.

Ipswich also slumped further into

trouble, going down 2-1 at home to Arsenal, who climbed into fifth place. Scotland forward Charlie Nicholas put the Londoners ahead with his 15th goal of the season, and although Jason Dozzell equalised, England striker Tony Woodcock gave Arsenal their second-away win in four days.

SPORTOTO

By PAUL KOHN
TEL AVIV. — State Cup matches are featured on this week's Sportoto coupon and show National League teams facing sides from lower leagues. While the First Division teams will start favourites to win their games, Cup results are notorious for surprises. Spotting where they will crop up is the name of the game this week.

Single	Permutation
1	2
2	3
3	4
4	5
5	6
6	7
7	8
8	9
9	10
10	11
11	12
12	13
13	14
14	15
15	16
16	17
17	18
18	19
19	20
20	21
21	22
22	23
23	24
24	25
25	26
26	27
27	28
28	29
29	30
30	31
31	32
32	33
33	34
34	35
35	36
36	37
37	38
38	39
39	40
40	41
41	42
42	43
43	44
44	45
45	46
46	47
47	48
48	49
49	50
50	51
51	52
52	53
53	54
54	55
55	56
56	57
57	58
58	59
59	60
60	61
61	62
62	63
63	64
64	65

THE FIRST thing one should realize about paying income tax on retirement or severance pay is that the authorities have, in principle, found and blocked all possible loopholes.

"The second thing is that these same authorities have created conditions which allow the beneficiaries to plan their retirement or future after receiving severance pay in such a way as to lessen their tax burden if certain arrangements are made," says Israel Strauss, president of the Institute of Certified Public Accountants in Israel.

"The third thing," Strauss explains, "is that insurance agents are generally familiar with the legal procedures (associated with retirement), and will advise their clients free of charge. If the clients follow their advice, the agents, of course, pick up a commission."

But even if the agents' advice is declined, "the client goes away with a good feeling, and usually will return in the future. Thus, no one should feel badly about consulting an insurance company in these matters. Both sides benefit."

The problem, Strauss notes, is that in the overwhelming majority of cases, the hands of the pensioner (or person receiving severance pay) are tied: More often than not, he is bound by an agreement made between his employer and his union. This goes for all those employed in the various civil services (government, local authorities, municipalities, national institutions), as well as in firms which have pension and work agreements with the Histadrut. These two groups, in fact, encompass the majority of all working Israelis.

So, says Strauss, "retirement and work-leaving planning" can only be effective in the private sector. Here benefits are only enjoyed by those who obtain rather high severance pay - more than NIS 1,800 for each

Easing the tax burden

Israel Strauss, head of the Institute of Certified Public Accountants, gives some tips on how to make the most of severance pay. Macabee Dean reports.

year of employment.

Nevertheless, even in the government and Histadrut sectors, despite fairly rigid employee-employer-union agreements, if a department or a company is closed down, employees generally do manage to obtain good severance pay.

In all three sectors, a person leaving his place of employment will generally benefit from one or more of three situations: He will either continue to receive wages or salary for a specific period although he is no longer employed, or he will get regular retirement pay, or he will receive severance pay.

What is most important, Strauss emphasizes, is that each employer-employee relationship has its own specific characteristics and must be considered separately.

Strauss presents a hypothetical case concerning severance pay: A person leaves work after 10 years at the same job. Let's say he is entitled to NIS 3,000 (his last month's wages or salary) for each year of employment. Thus, his severance pay comes to NIS 30,000. Of this, NIS 18,000 is tax-exempt and does not concern us here.

The remaining NIS 12,000 is taxable. In his income bracket, he must

pay 60 per cent tax on the entire sum. However, he has the alternative of paying tax on only one-third (or NIS 4,000) the year he obtains his payment, and paying tax on another one-third the next year with the remaining one-third (the third amount of NIS 4,000) being taxable two years after receiving severance pay.

However, Strauss notes, if he remains in the 60 per cent tax bracket in both the first and second years after he has received his pay, the worker in question will not obtain any tax break from spreading the severance pay over the three years because the tax will be collected in advance.

But, in three cases he can benefit if the second NIS 4,000 and the third NIS 4,000 become taxable in the second and third year after the worker received his pay: If he has reached or is reaching retirement age, his income in subsequent years after obtaining severance pay should place him in a much lower income tax bracket; in some cases, he may even be exempt from paying any income tax at all.

The second case is if the person leaves Israel, either as an emigrant or to work for a foreign company.

The money he makes abroad - including the second and third parts of his severance pay - is not taxable in Israel.

The third case: If the person involved is, for example, a young man who for some reason decides not to work during the next two years, so that his total income is only NIS 4,000 a year (i.e., the second third of his severance pay), he will not be taxed.

Strauss takes the example of the same person who, after receiving his severance pay, decides to continue to work and remains in a high-income bracket. The person, he explains, can reach an agreement with his new employer that his severance pay be put in a provident fund. This sum will not be taxable unless he (as mentioned above) retires, goes abroad, or decides not to work.

(Incidentally, if severance pay is entered into a provident fund and the person dies, his widow or other inheritors will receive tax exemption and double the sum he was entitled to while alive.)

Another arrangement our hypothetical worker could make with the income tax authorities is to put his taxable severance pay of NIS 12,000 in an annuity policy offered by an insurance company, and to cash the exempt portion of NIS 18,000.

"This sort of planning must be initiated before a person leaves work," says Strauss, "otherwise it has no value."

He adds that if the person cashes in on this annuity policy during the first five years after it was instituted, he will pay taxes on all of the NIS 12,000. In the sixth year, however, he would receive a 20 per cent exemption on the taxable portion. If the money remains in the annuity policy for 10 years and one day, the entire formerly taxable sum of NIS 12,000 becomes tax-exempt.

red savings. Also, an increasing number of parents open these accounts for their children.

Q. Since we are coming to the end of the financial year, what does this mean for provident fund members?

A. Provident funds are the only investment vehicles the state encourages by giving tax breaks - up to defined limits - to both the self-employed and to wage-earners.

A wage-earner - with an employer who deposits money into his pension or provident fund - can deposit additional funds into a provident fund: up to five per cent of his salary on which the employer does not make deposits, such as overtime pay and expense repayments, up to a limit of NIS 726 (NIS 60 per month). He can then deduct 60 per cent of this sum, so it is as if he receives NIS 435 from the tax authorities.

On the market

the last few years and now have more than 710,000 members, with total assets exceeding NIS 2 billion.

The popularity and good reputation of these funds have been confirmed by a number of research polls, including one carried out by Modi'in Ezrahi and one commissioned by Yedioth Ahronot.

Tamar and Gefen have, in recent years, yielded very good profits. In this interview with David Yehoshua, the manager of the Discount Bank's provident funds, some questions about these funds are cleared up.

Question: How is the Tamar and Gefen fund different from other provident funds.

Answer: With the other funds, the

amount deposited does not earn anything during the month it was placed in the fund. And a sum withdrawn does not earn interest right up to the day that it was taken out of the fund. However, with Tamar and Gefen your money yields full dividends from the day the funds are deposited until the day they are withdrawn.

Q. For whom are provident funds intended?

A. Provident funds were established for the self-employed who were without an assured income upon retirement. (Wage-earners receive a pension.) However, the advantages of these provident funds have also been discovered by wage-earners who are interested in prefer-

The ABCs of saving

Yitzhak Oked visits Bank Hapoalim's new advisory centre which specializes in provident funds.

WHEN Yehuda Shomer's father passed away and left him money in a provident fund, he didn't know what to do with the sudden "windfall."

He went to his local bank for advice and after a half-an-hour of being bombarded with economic and financial terminology which he hardly understood, left in great confusion. Other efforts at other banks resulted in the same situation.

Shomer finally made a decision but today, nearly a year later, he still wonders whether or not he took the right step.

Bank Hapoalim seems to have thought of Shomer - and thousands like him - when it recently decided to open its Information and Consultation Centre specializing in Provident Funds in the heart of Tel Aviv at Dizengoff Centre. The 15 employees staffing the centre underwent a special course before beginning work as advisers, and they are sought out daily by tens of Tel Avivians.

We had expected not-so-good news from Avraham Hassman, senior assistant managing director of Hapoalim's Division for Savings Schemes and Provident Funds, considering the present economic situation. But we were wrong.

Hassman started by being apologetic about the hustle and bustle at the new advisory centre. He ex-



Bank Hapoalim's new advisory centre.

plained that every year at this time, more than the usual number of people show an interest in savings schemes and provident funds since, if they choose the right ones, they can sometimes profit from them at the end of the fiscal year. This was one factor in the decision to open the centre now.

We asked what the situation of savings and provident funds is today, at this time of uncertainty.

"Just a year ago, there was a galloping inflation. Now they are talking of an annual rate of about 20 to 30 per cent, although there are those who are painting gloomy pictures and threatening that inflation might just start to rise again soon."

"But just as the general public was clever enough to find savings solutions during times of hyper-inflation, I'm sure they will get used to savings during low inflation periods," said Hassman.

He pointed out that at Bank Hapoalim, there are 22 provident funds and eight advanced study funds (keren hishalmu). All in all, about 1.5 million members belong to the bank's funds. Despite a rise in unemployment, there was an 8-10 per cent increase in membership during 1985.

Hassman added that there are about \$3 billion invested in the provident funds, and another \$2b. in the bank's many other savings schemes for both self-employed and salaried workers.

He believes that the fact that

Israelis are continuing to save shows their confidence in the economy. During the early 1960s when there was an economic slow-down and many persons found themselves without jobs, "there was also an increase in savings. It seems that in tough times, people tend to save more."

Should customers be worried about reports that the banks may find themselves in financial problems due to the fact that many of their "big borrowers" are not able to pay back their loans?

"Those who have the least to worry about are the members of the savings and provident funds since nearly all their money is invested in government bonds. These schemes are a closed operation that have nothing to do with other bank operations," Hassman stressed.

"I would give different advice to a young person up in his thirties, and different advice to a person in his forties or fifties."

For instance, Hassman noted that a person in his middle fifties who leaves his job and receives a large sum of money could probably find a provident fund or savings scheme that allows him to live on that money for a year or two until he finds another job.

A number of new savings schemes are being offered which, Hassman says, are tailor-made for the present situation, in which no one really knows what will happen yet everyone wants to protect their savings.

Older and wiser

It's not too late for people in the 55-plus age group to train themselves for a new career, ORT's Israel Goralnik tells Macabee Dean.

the age of 55, who does not want to retire on his pension and still wants to work?

Goralnik has several suggestions. The most interesting one is for the person to undergo a barrage of tests - psycho-technical and others - in preparation for the future.

"Many people have potential which they have never exploited, which perhaps they did not even know they possessed. Maybe an entire new line of work can be found for them by ORT or other organizations, work that is more interesting - even if this interest comes from the challenge they must face in adapting themselves to new conditions."

But what if this person does not have the potential to move into an entirely different line of work?

"We can always find them a job in an allied field," he believes. "For example, those men who lost their jobs at Ata can be retrained to work at other kinds of machines. If not,

they can be retrained to perform easier jobs, perhaps maintaining machines at high-tech industries. One machine may not be identical to another - but in many cases the principles of maintenance are the same. It should not take more than a year of schooling, often as little as six months, to make the switch from; let's say, textiles to high-tech in certain fields."

What about a teacher who loses his job at the age of 55? "There is a shortage of trained personnel in many office jobs - for example, in marketing where Israelis do not seem to excel. A person who has stood at the head of a class for decades, trying to arouse and engage the interest of his students, should try to find a job where he can project his thoughts convincingly on foreign buyers," Goralnik suggests.

But Goralnik stresses that the most important thing for those forced into early retirement is "not to quit, not to throw up their hands and begin to vegetate. It may take time to find a suitable niche, it may take time to retrain and adjust to a new way of work. But the results are well worth the efforts. Anyway, even trying to discover a new world, a new way of life, is an adventure that can be enjoyed!"

Given the proper funding, Goralnik believes that thousands of people in the 55-plus age bracket can be retrained by ORT.

"In most cases, the retraining could be in the afternoons and evenings, after ORT's regular classes have been finished."

Goralnik tries to practise what he preaches. Of the 100 persons working in the administration of ORT, 10 are "over-age" - they have passed the age of retirement yet are continuing to work.

The regular World at Large page of interpretative articles on international events is to appear tomorrow.

Are you Self-Employed? Salaried?
Only Israel Discount Bank's Provident Funds offer you

TWO DISTINCT ADVANTAGES



UNTIL MARCH 31, 1986



Whether you're self-employed or salaried, be sure to join or to make a supplementary deposit, by March 31, 1986, in one of Israel Discount Bank's Provident Funds ("Tamar", "Gefen" or "Shikma") and you'll assure yourself Income Tax relief up to NIS 792*. And that's not all!

Our Provident Funds are unique in that they operate on Israel Discount Bank's exclusive "Daily Value" system, where linkage is calculated on a daily basis. The benefit to you, as a member of "Tamar", "Gefen" or "Shikma", is that you receive full linkage from the date of any deposit made in the fund until the date you effect its withdrawal.

Moreover, membership in "Tamar" or "Gefen" gives you Life Insurance cover for an amount equal to the balance in your fund account (up to a ceiling of NIS 500, with double indemnity accident insurance of up to NIS 1,000).

Adding to your deposits in "Tamar", "Gefen" or "Shikma" is as easy as joining these Funds as a new member. Simply visit your nearest Israel Discount Bank branch, or telephone our convenient Telebank Discount service, available 24 hours a day. Dial 639888 if calling from Area Code 03, or 03-639777 if calling from anywhere else.

You have until March 31, 1986 to join or to effect the supplementary deposit which will bring your overall deposits to NIS 20,000 for the year.

*The maximum Income Tax relief presently permitted to self-employed persons depositing NIS 1,744.



MEIR UZAN

SHEKEL LTD., under the management of Meir Uzan, is one of the largest financial advisory firms in the insurance sphere. The company concerns itself with combining participation in pension funds, for private individuals and firms.

Unlike other insurance firms Shekel Ltd. also offers advisory services on provident funds and pension and managerial insurance.

Shekel Ltd., together with Niva Computers and Programming Ltd., has recently come up with a new series of pension insurance and software services. These services are intended for firms interested in checking their pension arrangements and comparing them with various other alternatives.



For information please call, Tel. 03-739513, 734127. SHEKEL LTD. (M.U.) PLANNING AND STRUCTURING OF PENSION AND PROVIDENT FUNDS PARTICIPATION Originality and Professionalism in Life Insurance

05920-22-24



HERZLIYA INSURANCE AGENCY LTD.
Under the management of Moshe Bahat and Marc Romano

- ★ Representing the top insurance companies in Israel
- ★ Expert advice in all branches of insurance
- ★ Policies tailored to group and individual enterprises
- ★ Personal and courteous service
- ★ Highly experienced staff

Herzliya Insurance Agency Ltd.-
Maximum coverage at minimum cost

FREE!

Towing, starting and en-route repairs with your policy

35 Sokolow St., Herzliya 46101, Tel. 052-82611/2/3

05920-16-24

ISRAEL DISCOUNT BANK

Signs of hope in the battle for Europe

The entry of Spain and Portugal into the EEC is not necessarily a grave threat to Israel's farm exports to Europe, writes *Jerusalem Post* Economic Editor Shlomo Maoz.

ALL ROADS lead to Paris's giant wholesale market at Rungis. To this market, near Orly Airport, produce is imported from all over the world: avocados from the French territory of Martinique, plums from Chile, persimmons from Japan, lychee nuts from South Africa, oranges from Spain, potatoes from Israel, flowers from Kenya, carnations from China, mangoes from Brazil, lemons from Morocco and cheese from Holland. All of Europe is flooded by agricultural produce, from the local manufacturers' surpluses of meat and mountains of butter, to every imaginable sort of fruit and vegetable from all over the world. Fast, refrigerated ships and jumbo jets have turned the developed world into one large village, in which it is possible to obtain anything. The label "Par Avion" was even adopted by some aggressive exporters and marketers in order to stress freshness.

Europe is the natural market of the Mediterranean basin. Yet, the strengthening of European currencies in the past half year has resulted in increased marketing efforts from farmers everywhere from Florida to Eastern Europe (including Albania).

The Frenchman looks first at the quality of the product and its freshness, and only then does he worry about the price. For good food, a Frenchman is willing to pay good money. In England, a similar process has begun of preferring quality to low prices. Here, though, the demand for quality did not arise among consumers, who do not share the Epicurean tastes of the French. Rather, it was a result of the stiff competition in service and quality among British retailing chains. Things have reached the stage where the marketing chains are now demanding merchandise all year round, of a particular size, length and colour, packaged with labels bearing the marketer's brand name. Apparently, the pampered consumer is ready to pay a high price for the convenience and the certainty that each time he enters the supermarket, he will be able to find an identical, standard - sized package, or a pre-packaged collection of fresh vegetables for making soup. The selling of fruits and vegetables has become similar to the marketing of manufactured products which are sold in identifiable packaging to maintain consumer loyalty. In Germany, the emphasis is still on price, and retailers there believe that Germans will continue to prefer large quantities of produce at lower prices.

ISRAEL IS concerned that the entry of Spain and Portugal into the European Common Market - now comprising a market of 330 million people - will impinge upon Israel's ability to increase, or even maintain, its export trade with this natural, very lucrative market. The concern is that the gradual lowering of duty in relation to Spanish products, coupled with the massive support given by the market to its new members, will prevent Israel from competing against Spanish products.

It is possible, however, that the situation is not quite as bleak as all that. There are those who predict that the rise in Spain's standard of

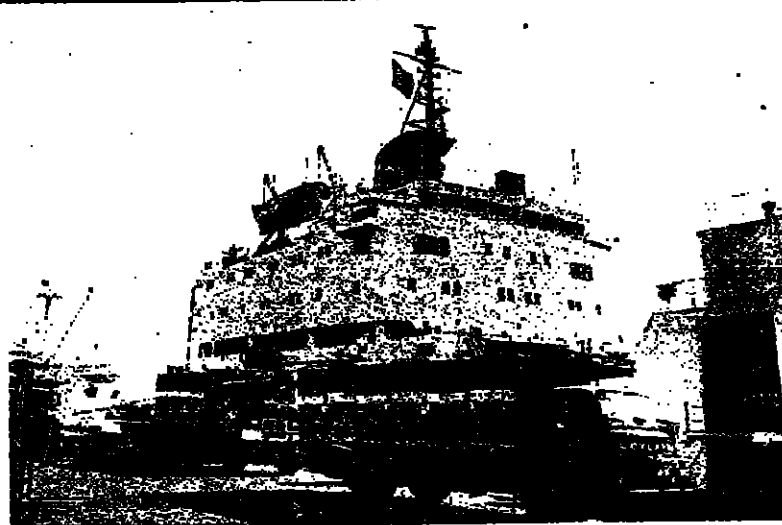
living and the lowering of unemployment there (Spanish workers may now, like all citizens of the common market, work without restriction in any member country) will harm Spain's ability to compete. Already, the cost of living in Spain, which is undergoing rapid industrialization, has caused, perhaps indirectly, a rise in hotel rates and a significant drop in its tourist trade.

But Israel is not prepared to rely on the rising standard of living to serve as a brake on Spain's agricultural exports. Israel is forced to penetrate the "buyers' market" - that is the market today in Europe - by using expensive, modern marketing techniques and by presenting the bulk of its produce as being of high quality. But this is not all. Because agricultural products have become subject to the whims of fashion, like clothing or resorts, Israel must change direction every few years in order to surprise, to whet the appetite, to innovate and to sell exclusive products at high prices. Israel's highly developed agriculture is still a long way from the Dutch, who have succeeded, by dint of hard work, research and development and years of marketing experience, in raising Holland to its position as the world's leader in the profitable agricultural industry.

A VISIT to the European markets shows that Israeli tomatoes command two to three times the price of competing tomatoes from Spain or North Africa, a higher price for its grapefruit, which are of better quality and more pleasing appearance than their competition from Florida, and up to ten times the price in France for its new potatoes. Agrexco, Israel's agricultural export company, and the Citrus Fruit Board are primarily concerned with marketing the uniqueness of Israeli produce, while at the same time selling its surpluses at low prices under other brand names. Thus, for example, Agrexco has started selling produce of lesser quality in Marseilles under the brand name "Scala." Sales under this brand name have been set aside for the export of occasional surpluses of fruit and vegetables above and beyond the planned sales of quality produce.

In order to satisfy the European consumer, radishes are washed and their tops cut off in Holland before they are marketed in England. Chinese cabbage and celery are packaged in the warehouses of Geest, Ltd. in Spalding, north of London, and potatoes are packaged in a packing house in Southern France. To meet the changing demands of European consumers, Israel has begun exporting the "sweetie" - a cross between the tastes of the grapefruit and the pomelo which is very successful in Europe.

When Minister of Agriculture Arik Nehamkin appeared before journalists during West Germany's "Green Week" in Berlin, he was asked by one European journalist, "What do you Israelis know about quality?" Nehamkin, unflustered, responded that Israel now exports sweet grapefruit of the highest quality, under the "Royal" label, as well as high quality sweet grapes. As far as the grapefruit are concerned, because of their high quality, they are



Truck loads of avocados on their way to the European market

being snatched up in Italy, itself a producer of citrus products.

Despite the need to stress quality, quantity carries some weight as well. Whereas the average Frenchman, for example, consumes a kilogram of avocados annually, the average German makes do with 100 grams. Israel has planted large orchards of avocados, and faces a surplus in the coming years unless the Germans can be persuaded to eat more avocados. Agrexco, therefore, has launched a massive advertising campaign in Germany. Its first objective is to teach the Germans to understand that soft fruit is not spoiled. Its second objective is to battle with German eating habits. They need to be convinced that the avocado is not only for the rich, and that it may be eaten without shrimp. But even after the Germans and British (who are also being subjected to a TV advertising campaign) are convinced, the concern is that the Spaniards will reap most of the profits from the campaign. The Israelis have therefore already approached the Spaniards to join them in a joint campaign along with the avocado exporters of Martinique and South Africa, to forestall a situation in which exporters get a free ride on their competitors' advertising budgets. Israel has requested joint advertising specifically in France, where Israel's market share (70 per cent) allows other producers to enjoy the fruits of Israel's advertising.

ISRAEL'S Citrus Marketing Board (CMBI) in France has found that the best way to beat the Spaniards in the French orange market is to stick to Spanish export routes. For this reason, Israel has set up a citrus marketing station on the border between France and Spain at Perpignan, where the Spanish oranges pass on their way northward. In this way, each "panetier" - the companies marketing foreign produce on consignment - can add, to each shipment of Spanish oranges, a shipment of Israeli oranges on hand. A similar station has been put up at the northern French port of Dieppe, through which Spanish ships most of its produce bound for northern France.

The Confederation of Importers and Marketing Organization ("Cimo"), the organization of importers of fruit and vegetables to the Common Market, thinks that Israel must do two things simultaneously: increase the volume of Israeli goods on the shelf and maintain the high

quality of the produce. According to Walter Vanderberge, secretary-general of Cimo, Agrexco's marketing organization is the best in Europe. Indeed, compared to the Spaniards the Israelis are well organized among themselves, with different companies competing for the European market. As of now, their organizational ability lags behind Israel, organized primarily through CMBI and Agrexco, but they are making strides in improving the level of their marketing. This was apparent in Spain's wonderful presentation during Berlin's "Green Week", which was even more impressive than Israel's, which was also done well.

Cimo officials add that Israel needs to increase the volume of its merchandise on European shelves, so that Israeli produce will be taken into account by the officials of the European Common Market. In determining quotas, those officials have taken into account the level of Israeli exports in recent years. It would be preferable for Israeli farmers to keep up a constant level of exports, rather than cutting down on exports on those occasions when prices are high in the local Israeli market.

The officials feel that what will hurt Israeli exporters most are high reference prices, (i.e., the minimum prices for foreign produce marketed in the EEC) as well as the tremendous financial support given members of the market. Cimo officials feel that Israel needs to fight the reference prices, which are liable to rise to a level which would actually close the market to Israel, even in times of shortage. Therefore, Israel is fighting fiercely against the reference price because in another 10 years, Spain will be free of the reference price. But Spain, as a full member, can always say to the other members that if they don't buy Spain's agricultural produce, it will retaliate by refusing to buy manufactured goods. As a result, the power of the Mediterranean countries will decline and conditions in the Third World will deteriorate.

EVANGELOS Zacharopoulos and other members of the market claim that Cimo's information is basically incorrect, and that there is no intent to raise the reference prices. Zacharopoulos personally believes that Israel will accept the same conditions as Spain.

The spokesman also says that

Israel has received authorization to export a long line of new products - including 17,000 tons of flowers and 12,400 tons of eating grapes - more than any other country has received, beyond the original agreement.

Nehamkin asked his West German counterpart to arrange for the Common Market to authorize the sale of Israeli processed goods at low tariffs. His colleague responded that it would be better for Israel not to raise the issue, because the market would then demand that Israel open its markets to the Common Market's processed agricultural products which are now stored in warehouses at incredible expense to European taxpayers. On this subject there is no hope, said the West German minister.

Agrexco officials say that the company should be merged with the Citrus Marketing Board. Such a move, they say, would save millions of dollars and strengthen the company's marketing posture. Officials of the Citrus Marketing Board claim that citrus fruit are totally different products calling for a totally different approach. They oppose the merger, but Agrexco experts claim that their firm already markets various farm products from flowers to goose liver. Nehamkin apparently feels that this is the time to unify, and perhaps for that reason he has appointed Reuven Eiland to chair both companies. The two already have joint activities abroad, but there still seems to be waste and a duplication of efforts.

If Israel wants to protect a natural market for the export of agricultural products, to the tune of \$500 million,

it must continue to improve, and to introduce new varieties of fashionably modern farm products. For this reason, appropriate funds are needed from the Treasury and from the farming community itself. Israel has no prospects of high volume exports, and the solution lies in quality. It is better to learn from the successful Dutch than to follow the Spaniards or the Moroccans, who are still lagging behind the Israelis - but are closing the gap. Precisely at this time, an investment in advertising can help our export market to Europe, whose currencies were being strengthened even before oil prices began to crumble. This is a state of affairs which promises increases of growth in Israel's natural market.

Facts and figures

Agrexco's exports for the first five months of the agricultural year, beginning in October, were \$110 million (F.O.B.) compared to \$75 million for the same period last year. For the entire year, a rise to \$200 million from \$150 million last year is forecast. The increase stems primarily from the strengthening of European currencies but also from the growth in volume which rose from 210,000 tons to 230,000 tons.

The Citrus Council's exports reached \$177 million (F.O.B.) last year from 37 million crates of various citrus fruit. This season 20 million crates have already been sent abroad, at much higher prices due to the rise in the value of the European currencies.

DID YOU KNOW THAT... YOU TOO ARE ENTITLED TO TAX BENEFITS?

Whether you're a salaried worker or self-employed, you're entitled to tax benefits on your provident fund investments. Take full advantage of them, and you'll significantly increase the profitability of your provident fund savings. Keep March 31st in mind - that's the final date for making the most of the benefits for fiscal 1985.

DID YOU KNOW THAT...
Provident funds are not only for long term investments?

Many veteran provident fund members are entitled to deposit funds under special terms, allowing them to withdraw their savings at any time, or after relatively short periods. Check whether you too can take advantage of these terms.

DID YOU KNOW THAT...
Provident funds can provide you with an additional monthly income?

Provident funds can provide you with a supplementary monthly income linked to the index. Bank Hapoalim's "Peles" and "Yeter" even have special terms entitling you to a lifetime linked monthly income!

DID YOU KNOW THAT...
You can choose from a wide range of provident funds at Bank Hapoalim?

Choose the fund that meets your needs and preferences. At your service are the newer funds - "Katzir" and "Aluma", the veteran "Gadish", funds which provide you with a secure yield - "Peles" and "Yeter", and still others which include life insurance, such as "Keren Or". You're certain to find a fund - or combination of funds - that meets your particular requirements and plans.



PROVIDENT SERVICES

AT BANK HAPAOALIM BRANCHES THROUGHOUT THE COUNTRY
We offer you consultation and assistance on tax benefits
We help you select a fund which is best matched to your needs
We provide information on your provident fund accounts
We accept statements for income tax purposes

NEW INFORMATION AND CONSULTATION CENTER
OPENING CENTER TEL AVIV

For more information, contact your nearest Bank Hapoalim branch or the New Information and Consultation Center, on the second floor (Gate 7), The Center is open weekdays 9:00-12:30 and 1:30-4:30, and on Saturdays 9:00-12:30.

COMPREHENSIVE INVESTMENT SERVICE at your own bank branch

Bank Hapoalim

Ornat | Ramat | Shitrit | Naaman

High-tech in the dairy

TEL AVIV. - A kibbutz in the south, Bror Hayil, has developed some software for an American dairy farm automation system that literally transforms the cow into an efficient milk-producing machine.

During a press tour of the fully computerized cowshed of the kibbutz Arye Polak the managing director of Polak Brothers, which imports the Bou-Matic Dairy Farm Automation System said that Israeli dairy farmers had been using the Wisconsin Dairy Equipment Company's equipment for over 10 years, but the new software developed at the Kibbutz would revolutionize more than the cowshed.

Eli Barocas, who manages Bror Hayil's Anat Computers, said they had developed the software in response to a request from dairy farmers for a programme that would not only make life easier for them but would also enable them to make better management decisions in the cowshed.

One of the shocks in visiting this modern cowshed with a futuristic look is the lack of the romantic atmosphere of so many Western movies. Instead of country music, one is greeted with the whooshing sounds of the automatic milking machines and the digital noises of the computerized equipment.

A cow no longer has a name, but is

By YITZHAK OKED
Jerusalem Post Reporter

identified by the number branded on her back. This number is also recorded in an electronic device which the cow carries chain-like around her neck. With the aid of small electronic transmitters located in areas that the cow must pass, every action is fully controlled. All this information is fed into a central computer, giving a complete picture of the cow.

The dairy-herd manager knows how much each milk cow gives and how much feed she is eating, and how she responds to different feeds by producing less or more milk. The computer helps him to choose a sire for the cow, and tells him when her mating-time is due.

According to Barocas, several other farms with large dairy herds have shown interest in the new software programme, and the kibbutz is also hoping to market it abroad.

Anat Computers has a number of other software programmes which they are already marketing in Israel and exporting. They include a sub-tropical plantation management system; a poultry slaughterhouse management system; an irrigation network system; and systems for vegetable, fruit and flower-packing centres.

Anat at present employs 25 people and is becoming an important branch in a kibbutz that already has several successful industries, including ceramics and vegetable dehydration. In 1985, Anat's turnover was \$350,000 and this year it is expected to reach \$500,000.

identified by the number branded on her back. This number is also recorded in an electronic device which the cow carries chain-like around her neck. With the aid of small electronic transmitters located in areas that the cow must pass, every action is fully controlled. All this information is fed into a central computer, giving a complete picture of the cow.

The dairy-herd manager knows how much each milk cow gives and how much feed she is eating, and how she responds to different feeds by producing less or more milk. The computer helps him to choose a sire for the cow, and tells him when her mating-time is due.

According to Barocas, several other farms with large dairy herds have shown interest in the new software programme, and the kibbutz is also hoping to market it abroad.

Anat Computers has a number of other software programmes which they are already marketing in Israel and exporting. They include a sub-tropical plantation management system; a poultry slaughterhouse management system; an irrigation network system; and systems for vegetable, fruit and flower-packing centres.

A cow no longer has a name, but is



Bror Hayil's push-button milking parlor

(Israel Sun)

"THE SOUNDTEST INVESTMENT"

BAR YATZIV PROVIDENT FUND

THE "BAR YATZIV" PROVIDENT FUND ASSURES YOU:

■ Full linkage to the index.

■ Full income tax exemption on all profits.

■ "Special member" programme for survivors.

■ Monthly income for senior citizens.

■ Life Insurance.

Come in to any one of the 71 Barclays Discount Bank branches and join "Bar Yatziv".

TO MAKE IT REALLY WORTH YOUR WHILE JOIN "BAR YATZIV" BY 31.3.86



Barclays Discount Bank Ltd.

A MEMBER OF THE DISCOUNT GROUP

Wheeler-dealer

By LIZ BARDER and DOUGLAS DALZIEL

TO A predictable bout of hand-wringing and chorus of condemnation from politicians across the political spectrum, the European Commission in Brussels last month admitted that it was selling off large chunks of its food "mountains" at bargain prices - to the Russians.

And, despite the outcry, the Commission says it intends to continue with such sales. The reasoning is simple: sales to the Soviet Union are the cheapest means of dealing with Europe's vast agricultural surpluses.

Although exact figures are difficult to come by, the generally agreed, round figure estimate of costs for storing the European Community's food mountains and wine lakes is \$28 million a day. And as the surpluses keep growing, they can overwhelm the market and depress prices. The Russians, therefore, have become the European Commission's safety valve.

The question is one of simple economics. The deals with the Soviet Union bring in something while easing the pressure of surpluses. And they do so without distorting the market economies of the West.

As matters stand, the European Commission admits that the Soviet Union "plays an essential role in the Community's agricultural policy." Yet such deals are not done on a bilateral, government to government basis. The essential ingredient is Interagra, the Paris-based agribusiness empire headed by one-time Pyrenean shepherd boy and life-long communist Jean-Baptiste Doumeng.

FROM HIS utilitarian office in a

large, black-glass building on the Avenue Malakoff, Doumeng holds court. The building itself is unremarkable but, without so much as a nameplate or company logo, it exudes anonymity; and anonymity is perhaps the strongest characteristic of Interagra, for all its diverse, multi-billion dollar deals.

The 66-year-old Doumeng, who this year celebrates 50 years as a member of the French Communist Party, is, above all else, the middleman of Euro-Soviet trade. It is a position he has carefully built up since the end of World War II, when he played a leading role in setting up Ucaso, a union of some 300 farming co-operatives which still forms the basis of his empire.

Since the early days, Interagra has shown a readiness to diversify, often through food for machinery barter deals with the Soviet Union. In recent years, much of the Interagra expansion appears to have been into developing countries, particularly in Africa, where Interagra and its spin-off, the International Co-operative Alliance (Ica) have been involved in agri-business projects in Ethiopia, Nigeria, Ghana and Angola.

Because of the secretive nature of Doumeng's empire, details of the various deals are usually hazy. But many are on the trade triangle pattern he established more than 20 years ago with France, Algeria and the Soviet Union. This pattern came to light when, after a 10-year inves-

tigation, Doumeng was fined \$3.5 million in 1976 for evading import tax. He had been trading French grain for Soviet tractors, which he exchanged for Algerian wine sold in France.

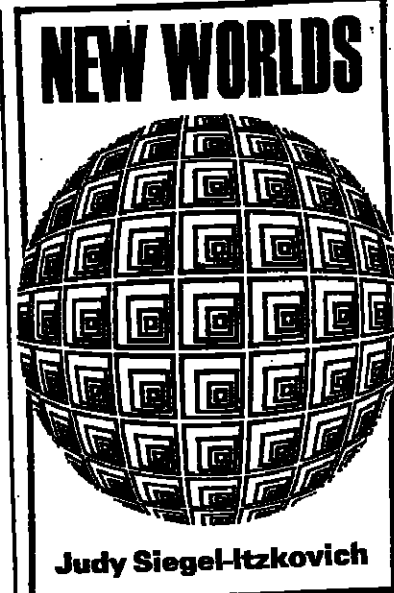
In those early days, trade with the Soviet Union accounted for between 70 and 80 per cent of Interagra's turnover. Today, it accounts for barely 15 per cent.

But a substantial proportion of Interagra business is done with Vietnam. Shortly after the fall of Saigon, the portly and bespectacled Doumeng announced: "I am replacing the Americans in Vietnam." A multi-national fertilizer deal followed.

It appeared at the time that he would need to branch out, since the European Community - following outcries similar to those voiced last month - had announced that food surpluses would no longer be sold to the Soviets for less than the market price. That this policy was not feasible - given the continuing agricultural surpluses - is now evident.

But when it came to capitalizing on the opportunities, Doumeng and Interagra were well to the fore, although companies such as the French Louis Dreyfus Group have shown there is no Interagra monopoly.

In the existing political climate, Community bureaucrats would readily leap on any acceptable alternative to the Interagra deals with the Soviet Union; and, in the existing financial climate, "acceptable" should be read as "economic." (Observer Business International Service)



Judy Siegel-Itzkovich

JORDAN is reaping some of the benefits of a technique for enlarging rain-clouds perfected by one of Israel's expert rain-makers, Prof. Avraham Gagin.

This winter has been exceptionally dry, with few clouds to seed. But those that have floated over Israel, especially in the north - where the clouds are bigger and the climate more suitable for the application of rain-enhancing techniques - have produced more precipitation than they would ordinarily. Parts of Jordan, according to the Hebrew University professor of atmospheric sciences, have recently enjoyed heavier rainfalls, though less than Israel, simply by being downwind from the enriched clouds.

Gagin hopes to increase rainfall in Israel by well over his earlier achievement of 18-25 per cent. The new technique was invented by American scientists, but they abandoned it because it produced no results for them. The Hebrew University scientists found the critical moments and the precise quantity of dry ice or silver iodide particles needed for triggering the process. There are only five particular minutes during which the required quantity of the seeding material can be dropped into the clouds to be effective.

Rain-clouds in Israel are usually no more than 6-9 km. in height and contain a maximum of 500,000 cu. m. of water. The new technique increases the height of clouds by 1.5 to 2 km., thus nearly doubling their rain yield.

When reports are received from Ben-Gurion Airport of the approach of rain-clouds from the Mediterranean, a plane is quickly dispatched to inject them with the right quantity of dry ice or silver iodide. These freeze the supercooled water in the clouds and release latent heat, which causes the clouds to expand and to absorb more water vapour from the surrounding air.

UNDERGROUND aquifers are the water savings accounts of any country. The below-surface water can be pumped up when reservoirs are at a

Seeds that bring rain

reduced level. But when the underground water resources are polluted, there is trouble ahead.

A vastly improved sampling technique that provides an early warning of impending pollution of underground water resources has been jointly designed by Weizmann Institute researchers and experts at the Israel Water Commission.

The process uses a novel collection device for extracting samples of water at intervals from the top two metres of the water table.

The researchers reasoned that the best place to obtain an early warning is at the very top of the water table, since all deep groundwater pollution percolates through the earth. They accordingly designed a plastic pipe with multiple slits that they insert into wells. Down the pipe goes a sampling device consisting of dozens of individual, membrane-covered chambers physically separated from each other. Water filters into the individual compartments exactly as it does into the sand-based aquifer. It is thus possible to detect the pollutants at various levels and determine how fast they move to the surface.

ANOTHER liquid - wine - is preoccupying researchers at the Hebrew University's agriculture faculty in Rehovot. They hope a new method for improving the bouquet - and thus the quality - of Israeli wines will lead to increased exports. Prof. Ben-Ami Bravdo and Dr. Yosef Hefner worked on a group of highly volatile and aromatic materials called monoterpenes, which give wine its special fragrance.

The grapes grown in Israel have a high concentration of monoterpenes, but most of them evaporate quickly due to high summer temperatures.

One way to reduce evaporation is to conduct the fermentation of the grape juice at a lower temperature - about 15 degrees C. By controlling the acidity level, the scientists were able to split the monoterpenes from the sugar compounds, thus allowing more of them to remain in the wine.

Israeli wines are currently exported to the value of nearly \$6 million, most of them going to the U.S., where wine consumption is rising steadily. If they can become more attractive to American palates - and noses - they could help reduce Israel's big grape surpluses and increase foreign-currency reserves.

INTERNATIONAL TRADE

AVI TEMKIN

Bed-sheet border incident

Five months ago the Industry Ministry proudly announced that it had convinced the U.S. that the Free Trade Area (FTA) agreement it had signed with Israel ruled out all serious limitations on Israeli exports of textile and apparel. The ministry told reporters at the time it had convinced the Americans to set very large quotas for these imports from Israel.

Now, however, it seems that the ministry's optimism was premature. Last week the American customs authorities prevented a shipment of Israeli bed-sheets from entering the country. Only after some negotiations - and the personal intervention of U.S. Secretary of State George Shultz - were the sheets let in.

Late last year the ministry and local industrialists were dismayed by news that the Americans were setting restrictive quotas for textiles and apparel despite the signature in September of the FTA. For some local textile manufacturers the move represented a formidable threat.

The FTA prohibits the imposition of quotas. Quotas on textiles and apparel did not exist before the FTA agreement. But according to government sources, the pressure of the textile lobby in the U.S. was too great, and there was no way of preventing the imposition of some quotas.

Industry ministry director-general Yehoshua Forer personally went to the U.S. to deal with the crisis. When he returned he said that an agreement in principle had been reached, which would soon be

signed, granting enlarged quotas to Israeli textile exports. Forer said that under the circumstances he had achieved a victory for the FTA.

That was last November. But no agreement has been signed since then, and the American authorities have in fact stopped a shipment at the border.

The American move has confused Israeli politicians and officials. The Industry Ministry said it was all a misunderstanding, based on different interpretations of the agreement reached in November. Other officials think that the newly-enlarged quotas were exceeded, and that the Americans had a right to act.

Economics Minister Gad Ya'acobi thought the matter came under his jurisdiction and raised the issue last week in a talk he had with Shultz. The Industry Ministry thought he was infringing on their jurisdiction.

Ya'acobi's ministry told the press last week that his intervention was made necessary since two American investors were planning to set up textile factories in Israel. The bottom line of Ya'acobi's message was that there were problems with the implementation of the FTA agreement.

The Industry Ministry, however, insists on its own version, that the entire matter is all due to a misunderstanding. It adds that the accord reached by Forer still applies. The ministry has decided to keep the issue as quiet as possible. Unlike the November announcement, this time the press was not informed about the latest developments.

WORLD NEWS

French prices fall for first time in 20 years

PARIS (AP). - French prices fell 0.2 per cent in February, the first negative inflation figure recorded for 20 years, according to provisional figures released yesterday by the National Statistics Institute.

February's fall followed a 0.1 per cent rise in January, and reduced the annual inflation rate over the 12 months through February to 3.4 per cent, compared with 4.2 per cent over the 12 months ending in January.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday.

Economic analysts pointed out that the good performance in recent months is largely attributable to the drop in the price of imported oil and the steep decline in the dollar against the French franc.

The best monthly retail price performance in decades will give the ruling Socialists a useful argument in the final days of the campaign leading up to legislative elections next Sunday

הכרזה מן אלא

MARKET PLACE

PINHAS LANDAU

FIT as a fiddle...

No one knows what happened at FIT, the brokerage firm that closed its own doors yesterday. A lot of people are going to try and find out, though, so the chances are that we will not have long to wait for at least partial answers.

But the details can wait. That something is very wrong can be seen from the fact that the owners of the firm went AWOL from their posts at such short notice, and from the post-dated cheques that some customers have reported receiving.

Nor should it be supposed that FIT was a two-bit firm. It was indeed small, even by the standards of the independent brokerage firms which are members of the Tel Aviv Stock Exchange. But its owners, Yori Salant and Hagai Blich, were both highly-respected professionals, looked upon as among the most knowledgeable traders among the TASE fraternity. Both originally senior executives in Bank Hapoalim's securities department, they were exuberant, friendly persons, liked as well as respected by their peers.

Just how highly-regarded they were may be gauged from the fact that Blich was, in the current year, a stand-in director of the exchange, as well as chairman of the trading procedures committee. Salant was, by a supreme irony, a member of the disciplinary committee.

Worse still, the FIT scandal, whatever its background, does not come out of the blue. There have been a series of scandals involving the independent brokerage firms in recent years, since the froth blew off the top of the bourse boom in 1983.

There was, first and most dramatically, the murder of Moritz and Tuchler broker Ya'akov Alterovitz, which led to revelations of all sorts of skulduggery within and around that firm. The firm was in the news more recently when another of its employees accused his bosses of blackmailing him.

The court threw out that case, finding the owners' behaviour to have been unblemished. The judge even wondered out loud why the police had not pressed charges against the employee in question, instead of taking his side.

Then there was the spate of investigations into firms which had allowed their portfolio managers to play fast and loose with the rules by buying or selling en bloc, and then distributing the purchase and sale of the shares between customers — several days after the transactions took place. In this way they could decide whom to benefit and whom to harm. The Moritz & Tuchler scandals were also of this class.

More recently, the Cohen & Poleski brokerage firm had its membership cancelled, after the exchange determined that its level of activity was negligible. But this was itself no more than the result of the firm's shady reputation, following investigation by the exchange of some of its activities.

All of these firms, including FIT, Moritz, Cohen and others — some of which are still under investigation — were allegedly involved in the practice of "running" shares, i.e. pushing their price up artificially until sufficient suckers were attracted to buy, and then selling out, leaving them holding a highly inflated but worthless balloon.

It is therefore hard to avoid agreeing, at least to some extent, with the senior banker who told this reporter last night that "with all the pain of this business — and I've been depressed all day since I heard — it does show that without some sort of regulation, the private firms get out of hand. This couldn't happen in a commercial bank's brokerage services."

Of course, this is a gross example of the pot calling the kettle black, as the mere mention of "bank share regulation" is enough to prove. But the man's got a point. There's been too much scandal. Either the exchange should clear up its act, or somebody else should do it for it. In an unconnected development, the exchange yesterday told members that the canteen in the building was closing next week, following a drastic fall in sales. What with member firms going on the blink and their food supplies being cut off, whoever said a broker's life is easy?

COINS. — The U.S. launched three new commemorative coins on the international market Tuesday to mark the centenary of the Statue of Liberty. A gift from France in 1886. The coin, a five-dollar piece in gold, a silver dollar and a half-dollar in bronze and nickel, bear the date 1986 and show the statue in the port of New York.

BROKERS

(Continued from Page One)

apparent difficulty. "Neither the activities of FIT, nor of the partners, did anything to arouse any suspicions in the past few months," Nitzani said.

Nitzani said that if FIT's client has not received a proper accounting of their portfolios their only resort was to have the court appoint a receiver to straighten out the firm's books.

FIT was founded by Bank Leumi several decades ago and was admitted to the Stock Exchange as a Broker in 1963. In 1979, the bank sold the company to Salant and Blich, and in the same year Phocnix Insurance bought a 50 per cent stake in the firm. In January 1985, the two partners bought the insurer's holding for the equivalent of \$70,000.

Phocnix reportedly sold out to cut the losses it was suffering from its stake in the firm.

Pinhas Landau adds: Stock market sources expressed shock at yesterday's news, although senior figures in the exchange establishment had known that something was amiss with FIT for the last few days. Blich had been said to be in Eilat, where he had another home, but his whereabouts have in fact been unknown for several days.

One well-placed source told *The Jerusalem Post* that there had been problems between FIT and the exchange management in recent months. The brokerage firm had refused to provide the exchange with details of its business and its financial state. The increase in the firm's capital of \$200,000 had been part of a compromise agreement between the parties, the source said.

On the other hand, it is known that FIT left millions of dollars worth of funds to its credit in the exchange's clearing system at the time it ceased business, and — at least so far — no customer has claimed that he has been defrauded. But the full details of FIT's and its customers' positions will only become clear in the coming days.

(See Market Place)

SHARON

(Continued from Page One)

feel about having their movement wrested from them. How do they feel about the defeat of Menachem Begin's son, Binyamin Ze'ev Begin? How will they react to what may be seen as the convention's repudiation of the Begin name?

Some may argue that the vote against Begin the younger was a kind of rite of passage, with the repentful sons making a formal break with the father who has abandoned them. There are those who claim that it was only a vote against Herut's leading "prince" by delegates who preferred an experienced minister. It is even argued that Ariel Sharon beat Benny Begin by playing on the underdog theme, an intrinsic part of the Herut collective myth. But what an unlikely underdog!

Sharon's triumph has already prompted party veterans to note that this is the second Begin he has whipped, for is not ex-premier Begin the most famous victim of Sharon's Lebanon misadventure?

Begin's old comrade, Dr. Yohanan Bader, tried to prefigure the taking-over of his party, hitherto kept under control by Begin. He offered an illuminating parallel, speaking of the differences between Neapolitanians and Sicilians.

The former scream at each other but never let things get out of hand, the latter glower at each other quietly, knowing that blood will soon be spilled. Bader blithely said: "Here it's Naples."

Is then the only choice between the Camorra and the Mafia? After all, we are talking of a party whose leader will soon accede to the premiership.

The Herut convention has driven home to us that accountability is a dirty word in Israeli politics. The delegates, who went wild when Sharon boasted of his role in the Yom Kippur War, failed to remark on his total silence about the outcome of his Lebanon adventure.

The same delegates cheered Yoram Aridor who still disclaims

responsibility for bringing the country to the verge of bankruptcy.

Whoever said that Humpty Dumpty can't be put together again?

It will be interesting to learn whether Yitzhak Moda'i and his Liberal colleagues are still so eager to merge into a Herut dominated by Sharon. For Herutniks have made it crystal-clear that they wish to move to the extreme, rather than appeal to the centre. What price now Moda'i's pretension to Likud leadership? and the premiership?

It is timely to recall the saying of Sharon's faithful aide Uri Dan on the day his boss quit the Defence Ministry. "Those who did not want Sharon as chief of staff got him as minister of defence — those who don't want Sharon as defence minister will get him as prime minister."

There is a spectre stalking the land, one should ponder it well.

MURPHY

(Continued from Page One)

Shamir, was not really a major issue in Egyptian life. He pointed out that the issue had not surfaced during the recent Cairo riots. Shamir said that Israel was eager for progress in tourism, trade and a cessation of hostile propaganda.

The subject of negotiations with Jordan and the Palestinians, and the situation in the administered territories, not raised between Shamir and Murphy, dominated the afternoon lunch meeting between the American official and Prime Minister Peres.

A spokesman for Peres said that the two men considered the situation in the area following the assassination of Nablus mayor Zafer al-Masri and the breakdown of the Hussein-PLO talks.

It is believed that among the ideas that will be examined by Washington is the proposal that Israel try first to implement the autonomy scheme in the Gaza Strip.

Tel Aviv Stock Exchange

MARKET STATISTICS

Indices:			
General Share Index	113.77	+2.04%	
Non-Bank Index	132.94	+2.73%	
Arrangement	105.24	+1.60%	
Insurance	150.61	+4.74%	
Commerce, Services	134.91	+2.64%	
Real Estate	158.95	+2.85%	
Industries	125.10	+2.79%	
Textiles	153.77	+3.54%	
Metals	117.00	+2.29%	
Electronics	106.22	+2.05%	
Chemicals	135.03	+3.12%	
Industrial Invest.	119.21	+1.73%	
Investment Cos.	143.46	+2.15%	
General Bond Index	100.02	+0.41%	
Index-linked Bonds	89.55	+0.24%	
Fully-linked	101.40	+0.18%	
Partially-linked	99.02	+0.00%	
Dollar-linked Bonds	98.86	+1.07%	
Short-term 0-2 yrs	98.56	+0.25%	
Medium-term 2-5 yrs	99.78	+0.41%	
Long-term 5+ yrs	99.73	+0.62%	

Turnovers:			
Shares — total	NIS 16,585,900		
Arrangement	NIS 4,889,700		
Non-bank	NIS 11,696,200		
Bonds — total	NIS 5,990,200		
Index-linked	NIS 2,931,600		
Dollar-linked	NIS 3,058,600		
Treasury Bills	NIS 4,232,900		

Share Movements:			
Advances	22	(141)	
of which 5% +	86	(42)	
Declines	27	(12)	
of which 5% -	31	(20)	
"Sellers only"	6	(27)	
Unchanged	81	(141)	
Trading Halt	46	(25)	

Bond Market Trends:			
Index-linked			
3% fully-linked	Rises to 1%		

Arrangement yields:			
IDB ord.	11.61%		
Union 0.1	11.23%		
Discount A	12.28%		
Mitrahil r.	11.53%		
Hapoalim r.	11.47%		
General A	10.93%		
Leumi stock	11.55%		
Fin. Trade 1	10.44%		

SELECTED PRICE QUOTATIONS

Name	Price	Volume	%
Commercial Banks			
(not part of "arrangement")			
Maritime 1	1188	7506	+9.9
General non-arr.	35300	245	
First In 1	3809	6236	+4.1
FIBI	3595	8983	+5.6

Commercial Banks			
(part of "arrangement")			
IDB r.	80150	805	+1.4
Union 0.1	80180	303	+2.0
Discount	100700	801	
Mitrahil	33050	1513	+2.0
Hapoalim r.	54640	1422	+2.0
General A	141415	134	+2.8
Leumi 0.1	34650	3040	+1.2
Fin. Trade	47200	13	

Mortgage Banks			
Leumi Mort. r.	4790	1235	+4.8
Dev. Mort.	1080	1311	+4.8
Mishkan r.	2260	272	+4.8
Telohat r.	12232		+5.0
Merviv	2337	b.o.2	+5.0

Financial Institutions			
Agrie C.	30999	4	-8.1
Ind. Dev. DO	not trading		
Clal Leasing 0.1	8544	446	+1.0

Insurance			
Ararat 0.1 r.	4270	540	
Hassneh r.	3095	14054	+7.7
Phoenix 0.1	1548	1623	+4.7
Hamishgar	6800	82	-0.7
Menorah 1	6820	18	+4.9
Sahar r.	4079	774	+9.8
Zion Hold. 1	13300	36	+4.7

Trade & Services			
Meir Ezra	4600	294	+2.4
Supersol 2	4409	1564	
Delek r.	4875	6979	+4.3
Ugharage	8850	89	-2.0
Cold Storage	1308	468	+10.0
Dan Hotels	3685	212	
Yarden Hotel	3150	b.o.1	+5.0
Hilon 1	14500	44	+2.4
Team 1	1706	350	

Real Estate, Building and Agriculture			
Azorim	4250	3100	+1.0
Elion	1200	1793	+6.7
Africa Isr. 0.1	40000	322	+2.6
Daniker	2604	1052	-7.7
Prop. & Bldg.	2910	6956	+2.8
Bayside 0.1	441	182	+1.8
ILDC r.	46900	435	+5.2
Rassco r.	8076	b.o.1	+5.0
Mahadim	11500	419	+4.5
Hadarim	1276	9474	

Industries			
Dubek b.	3440	737	+6.2
Pr-Zi 1	2710	647	
Sunfroist	6580	330	+5.6
Elita	19457	1038	+10.0
Adgar	805	8048	
Argaman r.	8558	2838	+10.0
Delta G 1	5020	1494	+5.5
Maqzeta 1	24000	13	+2.6
Eagle 1	10810	53	+0.1
Polgar 0.1	9170	1005	+1.1
Schoeller	15300	303	+4.4
Rogosin	3707	1533	+10.0
Urdan 0.1 r.	11560	128	
Is. Can Co. 1	1080	4743	+6.3
Zion Cables	2300	661	+2.2
Pecker Steel	4782	b.o.1	+5.0
Elbit 3 r.	430000	41	
Elron	367750	44	+4.8

Agriculture			
Clal Electronics	34050	201	
Spectronik 1	2570	2153	
T.A.T. 1	2070	33	+6.2
Ackerstein 1	4200	588	+5.2
Agan 5	1480	2273	+9.8
Alliance	18216	32	
Rimon	1397	342	+8.0
Gilbert	3500	101	+3.0
For. Curr.	10300	52	+2.9
dominated	961	4700	+4.2
Treasury Bills	53100	70	+1.7
(monthly yield)	14455	1358	+1.1
IDB ord.	391	33852	+2.1
Union 0.1	3400	50	-5.5
Discount A	8820	b.o.1	+5.0
Mitrahil r.	191500	115	+5.2
Hadera Paper	6910	380	+3.6
Central Trade	5350000	0	+0.9
Koor p.	1620	27655	+3.2
Clal Inds.			

Investment Companies			
IDB Dev. r.	4070	8322	+4.4
Elron	3020	4097	+2.4
Afik 1	not trading		
Gaheliet	1500	82	
For. Corp. 1	7352	432	
Wolfson 1 r.	65500	1	-0.8
Hapoalim Inv.	4700	1039	+5.6
Leumi Invest.	5393	1274	+1.0
Discount Invest.	2403	12357	+3.4
Mitrahil Invest.	12807	501	+15.0
Clal 10	2700	1800	+0.7
Landeco 0.1	8200	8	+2.6
Pama 0.1	1000	222	+4.2

Oil Exploration			
Per. Oil Expl.	11700	305	+2.6
J.O.E.L.	1280	950	+0.87

FINANCIAL DATA: ISRAEL, EUROPE, U.S.

Israel Money Markets March 12, 1986

SHEKEL INTEREST RATES
PRIME BORROWING RATE: 1.25% per month
Unlinked Deposit (Annual Rates)

	LAST UPDATED	TAPAS	PAKAM 7-DAY	PAKAM 30-DAY
LEUMI	12.3	6-18%	7-13%	6-13%
HAPOLIM	12.3	10-17%	12-12.5%	
DISCOUNT	12.3	7-13%	7-13%	9-13%
MIZRAHI	18.2	12-19%	12-20%	12-18%
FIRST INT'L	12.3	6-13%	7-13%	6-13%

Rates vary according to size of deposit.
(TAPAS: demand deposit paying daily interest.
PAKAM: fixed-term deposit available from 7 to 99 days.)

PATAH — FOREIGN CURRENCY DEPOSIT RATES (as of March 12)

	3-MONTHS	6-MONTHS	12-MONTHS
USD	6.875	6.875	6.875
STG	10.875	10.500	10.125
DMK	3.750	3.750	3.750
SFR	3.000	3.125	3.125
YEN	3.875	3.750	3.750

Rates vary according to size of deposit and are subject to change.

SHEKEL FOREIGN EXCHANGE RATES

COUNTRY	CURRENCY	CHEQUES AND TRANSACTIONS	BANKNOTES	BANK OF ISRAEL Representative Rates
U.S.A.	DOLLAR	1.4703	1.4887	1.4800
GERMANY	MARK	2.1716	2.1958	2.1845
FRANCE	FRANC	0.6489	0.6570	0.6532
HOLLAND	GILDER	0.2109	0.2135	0.2124
SWITZERLAND	FRANC	0.5747	0.5819	0.5793
SWEDEN	KRONA	0.7662	0.7758	0.7712
NORWAY	KRONE	0.2031	0.2056	0.2045
DENMARK	KRONE	0.2056	0.2082	0.2070
FINLAND	MARK	0.1759	0.1781	0.1768
CANADA	DOLLAR	0.2875	0.2711	0.2894
AUSTRALIA	DOLLAR	1.0521	1.0653	1.0594
SOUTH AFRICA	RAND	1.0351	1.0480	1.0412
BEELGIUM	FRANC	0.7418	0.7510	0.7481
AUSTRIA	SCHILLING	0.3141	0.3181	0.3194
ITALY	LIRE	0.9257	0.9373	0.9323
JAPAN	YEN	0.9544	0.9664	0.9614
JORDAN	DINAR	0.8171	0.8273	0.8225
EGYPT	POUND	—	—	4.1282
				0.8558

SUPPLIED BY BANK LEUMI

European Financial Markets

Precious Metals

GOLD:	LONDON	A.M. FIX	344.50	P.M. FIX	343.85
SILVER:	PARIS	NOON FIX	345.84	ZURICH P.M.	344.75
PLATINUM:	LONDON	FIX	577.35		
PALLADIUM:	LONDON	P.M.	405.75		
		P.M.	109.50		

FOREIGN CURRENCY CROSS RATES (London 15.30

THE JERUSALEM POST

Ari Rath
Editor and
Managing Director

Erwin Frankel
Editor

Founded in 1932 by GERSHON AGRON, who was Editor until 1955; Editor 1955-1974
TED LURIE, Editor 1974-1975; LEA BEN-DOR, EDITORIAL OFFICES AND
ADMINISTRATION The Jerusalem Post Building, Ramat Gan, Jerusalem P.O. Box 81
(91000) Telephone 551616, Telex 26121, TEL AVIV 11 Rehov Curlew, P.O. Box 20126
(61201) Telephone 244222, HAIFA 16 Rehov Nordau, Hadar Hacarmel, P.O. Box 4810
(31047) Telephone 645444, Published daily, except Saturday, in Jerusalem, Israel by The
Jerusalem Post Ltd. Printed by The Jerusalem Post Press in Jerusalem, Registered at the
G.P.O. Copyright of all material reserved, reproduction permitted only by arrangement.

Choices in Lebanon

LAST SATURDAY night an IDF unit engaged in battle a group of gunmen heading towards them in the South Lebanon security zone. Four of the gunmen were killed, but so was Samal (Sergeant) Yisraeli of Jerusalem. He was the sixth Israeli casualty in the security zone since the official announcement last June 1 of Israel's withdrawal from Lebanon, and the second during the previous eleven days.

Commenting on the incident, Defence Minister Yitzhak Rabin blamed the fundamentalist Hizbollah for the recent spate of terrorist attacks in the security zone, and suggested that while Israeli soldiers had done their duty properly the army's methods of operation called for some readjustment. He did not, however, think that Israel's overall strategic concept in South Lebanon, with a local SLA propped up by a limited IDF force, needed to be re-examined. The fact was that the peace of Galilee was by and large being kept under the present arrangement.

On Tuesday, Mr. Rabin was visited by the UN's new undersecretary-general for special political affairs, Marrack Goulding, who offered the defence minister an alternative analysis of the problem in South Lebanon, and its possible solution.

Mr. Goulding believes, as does his predecessor Brian Urquhart, that by its very presence in South Lebanon the IDF is playing into the hands of the Shi'ite extremists who are indeed behind the increasing number of attacks on Israelis and their collaborators in the security zone. He proposes that Unifil, whose mandate expires on April 19, should extend its responsibilities in areas that might be vacated by the IDF, meaning towards the international frontier.

This is all unacceptable to Mr. Rabin. The defence minister will not oppose a renewal of Unifil's mandate, but does not himself think very highly of its contribution to Israel's security by way of curbing terrorism. In fact, Unifil is making it difficult for the SLA to carry out its own clear peacekeeping mandate. The problem in South Lebanon, according to Mr. Rabin, arises in Beirut, where Hizbollah's Sheikh Hussein Fadlallah is working overtime to wrest leadership of the Shia community from Amal's Nabih Berri. And Hizbollah, unlike Amal, will not rest until it has not only ousted Israel from every square inch of Lebanese territory, but also embarked on the road leading to the "liberation of Jerusalem."

How then is Hizbollah to be checked, let alone suppressed? Ironically, the defence minister seems to be putting his trust in the Syrians to do much of Israel's work for it in this area. He figures that, since they are anxious to bring all Lebanon under their control, the Syrians will prevent the largely Iranian-inspired Hizbollah from getting too big for its breeches.

The trouble with this assessment is that it does not begin to square with Hafez Assad's own recent boast of Syrian assistance for security zone terrorists. The Syrians need not themselves be planning a "liberation war" anytime soon: the jittery reaction of the government spokesman in Damascus this week to Israeli observations on the Syrian president's two recent bellicose speeches indicates as much. But there is nothing to indicate that they will over-exert themselves to place Hizbollah under leash, when it is helping radicalize the entire Shi'ite majority in the south against Israel without actually triggering a wider conflict in which Syria might have to participate. And without fundamentalizing Syria itself.

And when - as may happen in the not too distant future - Moscow has contrived to get the now warring PLO factions together again, and the 2,000 Palestinian terrorists, already reassembled in Beirut, are joined by more of their kind and start trekking southward, the Katyushas will start raining on Galilee again. That, largely, because Israel's military presence in the south has rendered Amal, which has no basic quarrel with the Jewish state, politically impotent.

There are admittedly no simple solutions to Israel's Lebanese problem. Every prescription carries its own share of hazards. But the present policy appears to run an inordinate risk of a return to the notorious Lebanese quagmire. Which is surely the last thing the defence minister would want to happen.

Negotiate wages now

THERE IS a long-standing tradition in Israel of dragging out wage negotiations, but at no time has that repetitive ritual been more unnecessary and harmful than now. It is unnecessary, because each of the parties at the bargaining table knows, and knows that the other party knows, more or less what the eventual outcome will be. It is more harmful than ever because the residual uncertainty about the more and the less of the final settlement destabilizes expectations.

The real issue now is not whether the cost-of-living allowance will be paid only once in six or twelve months, as the employers insist it should be, or in quarterly or even monthly intervals. It is whether real wages will or will not be pushed up before a rise in productivity warrants it.

The employers must know full well that the cost-of-living allowance, which always lags behind inflation, can never push it up, although the same lag may serve as a brake on a down-trend of inflation. Their insistence on spreading the interval between cost-of-living allowances, makes no sense. If inflation stays within the officially predicted 1-1.5 per cent a month, the spread-out will gain the employers nothing, except sharp jumps in their wage bill when the time for wage adjustment comes.

Were the employers to have their way while inflation returned to higher levels, they might be left holding an agreement that would soon not be worth the paper it was written on. Without a reasonable cost-of-living agreement, wage erosion will only give rise to demands for compensatory hikes of basic wages.

The Histadrut for its part has not so far presented any exorbitant demands for basic wage increases. It is hardly in a position to do so when the choice is obviously between more unemployment and more wages. The crises in Kupat Holim and Solel Boneh have brought that painfully home. But, the longer the employers hold out on the cost-of-living agreement, which has always been a wage-restraining mechanism, the harder will they push the Histadrut into demanding higher wages.

Clearly, it is basic wages that will be a major determinant of the rate of inflation this year. The reason is that there is little prospect in the short run of a rise in productivity that would warrant higher real wages.

All parties to the wage negotiations - the Histadrut, the employers, as well as the government, which is hardly a silent kibitzer in this game - would do themselves and the economy as a whole a huge favour if, for once, they would cut the ritual short and agree to what they know they will have to agree to anyway: stable real wages, not more and not less.

Leave it to them

ZALMAN SHOVAL

YASSER ARAFAT may not actually have ordered the assassination of Zafar Al-Masri, but there can be no doubt that he has greatly benefited from the act. There probably is a direct link between the murder of the mayor of Nablus and King Hussein's recent call for a reappraisal of the role of the PLO as the "sole legal representative of the Palestinian people."

Though Hussein may in recent days have made a partial "tactical retreat" from his appeal to Palestinian Arabs to find themselves a more responsible and serious leadership, it is obvious that Arafat and his cohorts were seriously traumatized by the possibility that a scenario for a Mid-East settlement could be found and played out without them, in which a pivotal role would be fulfilled by genuine, indigenous West-Bank and Gaza leaders, such as the late Al-Masri undoubtedly was. It is equally obvious that the PLO will resort to almost any means in order to abort such a possibility - not excluding acts of individual terror against Palestinian or other Arab personalities.

Several commentators, including some Israeli ones, have expressed the view that the recent estrangement between King Hussein and Yasser Arafat may have caused irreparable damage to the prospects of peace in our region, and that as a result, the monarch may have been put into a serious predicament.

The opposite may be nearer the truth on both counts. Only a few weeks ago it seemed as if the PLO were finally going to reach its long-sought goal of obtaining recognition from the U.S. government. Some members of the U.S. foreign-policy establishment, including its once all-powerful but recently oft-humbled Arabists, had been calling for such a step for a long time. All that Washington had asked of the PLO was that it accept Security Council resolution 242 (which, by no stretch of the mind, can be interpreted as one-sided or especially pro-Israel) and to renounce terrorism. In return, the U.S. had apparently offered to make the following concessions:

- To accept the Arabs' favoured format of an international conference.
- To invite the PLO to the conference.
- To agree that at this conference the PLO could ask for self-determination. (Some members of the American foreign policy establishment, such as former assistant secretary of state "Roy" Atherton,

have ignored the fact that this recognition of the Palestinians' "right to self-determination." They have ignored the fact that this would be equivalent to creating a separate irredentist Palestinian state, endangering the existence not only of Israel, but even more of Jordan.)

□ To open an "immediate" dialogue with the PLO.

IT IS PROBABLY true that all this would ultimately have led nowhere. But in the meantime, serious damage was bound to have been caused to U.S.-Israel relations, while the chance of some kind of agreement among the parties most immediately concerned - Israel, Jordan and the Palestinians of the West-Bank and Gaza - would have lessened considerably.

The chance of reaching some form of settlement is still there, however, in spite of Al-Masri's murder and the manifestation of pro-PLO sentiment during his funeral. First of all, Palestinian Arabs are nobody's fools, and sooner or later they will begin to ask themselves why it is that every time there seems to be some chance of progress in the peace process, there is a spasm of PLO-instigated violence and terrorism, bringing about a further deterioration in their fortunes.

But a great deal will also depend on Jordan's sticking to the course of peace and Prime Minister Peres's determination not to let the recent bloody event divert him from his declared policies.

From Jordan's point of view, any back-tracking could be especially harmful, considering what is at stake for it not only west of the Jordan river, but also in its mostly Palestinian-populated east bank.

Israel, on the other hand, could conceivably (as Defence Minister Rabin has pointed out) "freeze" the present situation in the territories for many years to come, although it would be short-sighted on its part to actually encourage stagnation.

SOME ISRAELI and non-Israeli commentators have voiced the opinion that the Nablus event has - at least for the time being - put a stop to Peres's "devolution of authority" project.

This must not be so. In fact, it may now be more urgent than before to transfer certain administrative functions from the Israeli military gov-

ernment in Judea, Samaria and Gaza to local Palestinian leaders in order to pave the way for a more comprehensive functional compromise later on.

"Yes, but will such leaders be available now?" it is being asked. "Some prospective candidates in other Arab townships have already had second thoughts in the wake of Al-Masri's assassination."

On the whole, I believe that once the initial shock has worn off, they will. But even if it should not happen - or at least not immediately - why not go back to basics and remember that in Moshe Dayan's original concept of "unilateral autonomy" (which I have always preferred to describe as creating de facto autonomy by unilaterally abolishing most of the civilian functions of Israel's military government) the election or appointment by Israel of local Arab mayors was never an essential precondition for implementing the plan.

On the contrary, the idea was that by reducing Israel's active involvement in the day-to-day functions of local government, these functions would of necessity, be taken over by locally-elected leaders.

Some will argue that even after "devolution" (or "unilateral" or "de facto" autonomy - the exact terminology is not important), there is no guarantee that there will not be a recurrence of such acts as the Al-Masri killing, or even a general upsurge in intra-Palestinian violence, this being the normal order of things in many parts of the Arab World.

This could be true. But, on the other hand, following Israel's civilian withdrawal from most of the Arab population-centres in the territories (Israel will, of course, not withdraw militarily from the area, though it may re-deploy its troops into specified security locations, nor will Jewish settlements be affected), a new situation might very well evolve. The local Palestinian population would perform take matters into its own hands, being much more interested than before in the maintenance of law and order.

Even if this assumption should prove to be over-optimistic (and without wanting to sound too Machiavellian), would it not be better for our image, in other people's eyes as well as in our own, that there is to be violence, it should remain an internal Arab affair? Surely that would be preferable to an act directed against someone who, though far from being an Israeli "puppet," was nevertheless an Israeli-appointed official?

The writer, a former MK, was a close aide to Moshe Dayan.

Dry Bones



Sour grapefruit

MARTHA MEISELS

LA LECHE League for the encouragement of breast-feeding has reported a dramatic rise in the number of nursing mothers, due to the grapefruit promotional ads on television by the Citrus Marketing Board. Apparently, many women took the advertisement as a reminder that their ample bosoms are filled with nature's goodness - perhaps not Vitamin C, but at least Vitamin D and riboflavin.

Absurd? It's not true, of course. But it's no more far-fetched than attributing a rise in rape and sexual harassment to the innocuous playful grapefruit ads with pretty girls on our television screens.

So what if their bouncing breasts did remind some male viewers of grapefruits? Is it such a crime to use a little sexual innuendo to sell a product? It's done all the time, with models of both sexes, for everything ranging from deodorants to cigarettes.

Where were all the feminist demonstrators when the Fruit Marketing Board was promoting dried fruits with that silly little skit about a man leaping into bed with renewed vigour?

Anyone who thinks rape is caused by the sight of a few bouncing bosoms on television is absurdly ignorant of human psychology. Rape has been around since long before television, long before commercials, perhaps even long before grapefruit.

AS FOR THE vague concept of "sexual harassment," I've never been quite sure what that means. The guy in the office who might say to a female colleague, "Hey, that's a nice pair of grapefruits you have," would have been just as likely to say, "You've got a nice pair of boobs." Personally, I'd rather be complimented on my "grapefruits." It has a delicate ring to it. And I, for one would take it as a compliment, not as "sexual harassment."

When are the so-called "feminists" going to realize they are undermining their own often worthwhile causes by attracting attention to such trivia? And when will they realize that they have only perpetuated an advertising gimmick of the Marketing Board which would have been replaced by something long ago had it not become a cause célèbre?

READERS' LETTERS

WHO SETTLED WHAT

To the Editor of The Jerusalem Post Sir, - Your report on Yisrael Galili's funeral in Na'an (February 10), quotes Yitzhak Ben-Aharon: "I see here some who mock your vision" as referring to "those of the right wing most clearly identified with West Bank settlement - Arieh Sharon, Yuval Ne'eman and Moshe Levin" (R.R.). Considering that it was Galili who, as the first chairman of the (now defunct) cabinet settlements committee, found the appropriate words to justify the establishment of Elkana, Ariel, Kedumim, Ofra, Beit El, Shiloh, Givon, Ma'ale Adumim, etc., all outside the Allon plan zones, one wonders who could be considered as closest to Galili's vision, the ecologist or those "right wingers"... Further quoting Ben-Aharon, "Yours was a vision of settlement without exploitation, without trucks and deportations." Kedumim, Ofra, Beit El and Shiloh are Gush Emunim settlements, as are Eilon Moreh and Kiryat, established by Galili's successor as committee chairman (Sharon), or Brakha and Daniel (established under his chairmanship).

Galili also invented the army ma'alahim which do not even require committee authorization (as against the he'ahzuvo, which do). As to "exploitation, trucks and deportations" - I wonder what country Ben-Aharon had in mind. Certainly not the Israel of 1977-84. Perhaps Allon's action at Ramle-Lod in 1948, as reported in Rabin's book?

YUVAL NE'EMAN, MK.
Jerusalem.

CALL FOR TOLERANCE

To the Editor of The Jerusalem Post Sir, - The procedures of the Ministry of Interior are humiliating, to those who are born of a Jewish mother and to those who are not. I came to this country because of my love for it and my desire to live in this Jewish environment, and I am saddened by those who would discredit that and the process of aliyah as well. Since over 80 per cent of the Jews in this world are Reform or Conservative, I see this as a slap in the face to world Judaism.

The rabbi whose name appears on my certificate of conversion, which was not recognized by the Ministry of Interior, is a living example of what Judaism is about. I admire him tremendously and am not about to discredit my conversion with him in any way.

I would hope that a miracle of tolerance and understanding could heal this growing rift before it becomes a wider, because a divided Jewish people will lack the important ingredient of strength needed for our continued survival.

My love for Am Yisrael has not lessened and will not.

SHOSHANA MILLER
Tel Aviv.

KUDOS

To the Editor of The Jerusalem Post Sir, - Congratulations on your new Middle East page, and in particular on David Landau's brilliant open letter to Brian Urquhart. It is so refreshing to read someone who really has the good of Israel at heart.

R. MORRIS
Eilat.

Enjoy Learning Hebrew

Learn modern Hebrew at home with unique cassette programmes based on interesting, contemporary material: Jewish holidays, interviews with Israelis, literary and musical selections, Israeli songs and menus - all in easy Hebrew for beginners with a vocabulary of only 500 words, and for the more advanced, with a vocabulary of 1500 words.

Shalom From Jerusalem for beginners - 10 one-hour cassettes with accompanying booklets of the entire Hebrew text with new words translated into English, French, Dutch and Spanish. NIS 121.00 (+ NIS 8.00 postage); trial programme (1 cassette) NIS 15.50 (+ NIS 2.50 postage)

Shalom From Jerusalem - advanced I - 10 cassettes with authentic radio recordings in regular Hebrew on one side and easy Hebrew on the other with booklets of the entire text and translation of difficult words. NIS 121.00 (+ NIS 8.00 postage); trial programme (1 cassette) NIS 15.50 (+ NIS 2.50 postage)

Shalom From Jerusalem - advanced II - 10 new cassettes of radio recordings plus booklets with translation of difficult words into English, French, Spanish and Russian. NIS 121.00 (+ NIS 8.00 postage); trial programme (1 cassette) NIS 15.50 (+ NIS 2.50 postage)

All prices include VAT.

Shalom From Jerusalem is a joint production of Kol Israel, the World Zionist Organization and Rolnik Publishers.

To: BOOKS, The Jerusalem Post, P.O.B. 81, Jerusalem 91000.
I would like to learn Hebrew at home. Please send me "Shalom From Jerusalem" as indicated below. I enclose a cheque for NIS..... including postage and VAT.

Beginners <input type="checkbox"/> 10 programmes + "Hebrew Through Comics" <input type="checkbox"/> 1 trial programme NAME ADDRESS CITY	Advanced Series I <input type="checkbox"/> 10 programmes + "Hebrew Through Comics" <input type="checkbox"/> 1 trial programme	Advanced Series II <input type="checkbox"/> 10 programmes + "Hebrew Through Comics" <input type="checkbox"/> 1 trial programme	<input type="checkbox"/> Advanced Series I + II with 2 bonus programmes (22 cassettes) NIS 206.60 <input type="checkbox"/> All three programmes NIS 289.10
--	--	---	---

The above prices will remain valid pending any government approved price rise.

Also from Rolnik Publishers:



A light story, a pinch of grammar and a touch of humour make this cartoon-illustrated booklet a pleasure to learn Hebrew by Spiralbound, 18cm x 17cm.

NIS 9.40
Free with the order of a 10 programme set of "Shalom From Jerusalem."

Please also send me "Hebrew Through Comics"
☐ Enclosed is my cheque
☐ Free with my order

NIS 13.70 surface mail or NIS 41.00 airmail per set; trial programmes NIS 4.90 surface mail or NIS 8.90 airmail.
 For delivery inside Israel please add NIS 2.50 per trial programme; NIS 8.00 per set; 2 sets NIS 15.40; 3 sets NIS 22.20.

FREE

Bahama Cruise

for all passengers
flying to Miami.

Call your travel agent or Malchi's Shipping Agencies Ltd.
76 Dizengoff Street, Tel Aviv, Tel. 290596